

Charter Township of Meridian, Michigan

**Annual Comprehensive Financial Report
For the Fiscal Year Ended December 31, 2021**

**Prepared by:
Department of Finance**



Table of Contents

Section	Page
<u>Introductory Section</u>	
Letter of Transmittal	i-viii
GFOA Certificate of Achievement	ix
Organizational Chart	x
List of Elected and Appointed Officials	xi
<u>Financial Section</u>	
1 Independent Auditors' Report	1 – 1
2 Management's Discussion and Analysis	2 – 1
3 Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	3 – 1
Statement of Activities	3 – 3
Fund Financial Statements	
Governmental Funds	
Balance Sheet	3 – 4
Reconciliation of Fund Balances of Governmental Funds to Net Position of Governmental Activities	3 – 6
Statement of Revenues, Expenditures and Changes in Fund Balances	3 – 7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	3 – 9
Proprietary Funds	
Statement of Net Position	3 – 10
Statement of Revenues, Expenses and Changes in Fund Net Position	3 – 12
Statement of Cash Flows	3 – 14

Section	Page	
3	Basic Financial Statements	
	Fiduciary Funds	
	Statement of Fiduciary Net Position	3 – 16
	Statement of Changes in Fiduciary Net Position	3 – 17
	Component Units	
	Statement of Net Position	3 – 18
	Statement of Activities	3 – 19
	Notes to the Financial Statements	3 – 20
4	Required Supplementary Information	
	Budgetary Comparison Schedules	
	General Fund	4 – 1
	Local Roads Fund	4 – 2
	Land Preservation Fund	4 – 3
	Notes to the Required Supplementary Information	4 – 4
	Charter Township of Meridian Employee’s Retirement Pension Plan	
	Schedule of Changes in Net Pension Liability and Related Ratios	4 – 5
	Schedule of Employer Contributions	4 – 6
	Schedule of Investment Return	4 – 7
	Municipal Employees’ Retirement System of Michigan	
	Schedule of Changes in Net Pension Liability and Related Ratios	4 – 8
	Schedule of Employer Contributions	4 – 9
	Charter Township of Meridian Postemployment Health Benefits	
	Schedule of Changes in Net OPEB Liability and Related Ratios	4 – 10
	Schedule of Employer Contributions	4 – 11
	Schedule of Investment Returns	4 – 12

Section**Page****5 Other Supplementary Information**

Nonmajor Governmental Funds	
Combining Balance Sheet	5 – 1
Combining Statement of Revenue, Expenditures and Changes in Fund Balances	5 – 5
Nonmajor Governmental Funds	
Budgetary Comparison Schedule	
Pedestrian/Bike Path Millage Fund	5 – 7
Fire Restricted/Designated Fund	5 – 8
Police Restricted/Designated Fund	5 – 9
Senior Center Millage Fund	5 – 10
Cable TV Fund	5 – 11
Community Needs Fund	5 – 12
Library Fund	5 – 13
Grants Fund	5 – 14
CATA Millage Fund	5 – 15
Park Millage Fund	5 – 16
American Rescue Plan Act Fund	5 – 17
Fire Station Debt Service Fund	5 – 18
Township Improvement Revolving Fund	5 – 19
Major Governmental Fund	
Budgetary Comparison Schedule	
Road Debt Fund	5 – 20

Section**Page****6 Statistical Section (Unaudited)**

Financial Trend Information

Net position by Component	6 – 1
Changes in Governmental Net Position	6 – 2
Changes in Business-type Net Position	6 – 3
Fund Balances – Governmental Funds	6 – 4
Changes in Fund Balances – Governmental Funds	6 – 5

Revenue Capacity Information

Taxable Value and Actual Value of Taxable Property	6 – 6
Direct and Overlapping Property Tax Rates	6 – 7
Principal Property Taxpayers	6 – 8
Property Tax Levies and Collections	6 – 9

Debt Capacity Information

Ratio of Outstanding Debt by Type	6 – 10
Ratio of General Bonded Debt Outstanding	6 – 11
Direct and Overlapping Governmental Activities Debt	6 – 12
Pledged Revenue Coverage	6 – 13
Legal Debt Margin	6 – 14

Demographic and Economic Information

Demographic and Economic Statistics	6 – 15
Principal Employers	6 – 16

Operating Information

Full-time Equivalent Government Employees	6 – 17
Operating Indicators	6 – 18
Capital Asset Statistics	6 – 19



Meridian Township
5151 Marsh Road
Okemos, MI 48864

P 517.853.4000
F 517.853.4096

Township Board:

Patricia Herring Jackson
Township Supervisor

Deborah Guthrie
Township Clerk

Phil Deschaine
Township Treasurer

Scott Hendrickson
Township Trustee

Kathy Ann Sundland
Township Trustee

Marna Wilson
Township Trustee

Courtney Wisinski
Township Trustee

Frank L. Walsh
Township Manager

May 31, 2022

To the Township Board and the Citizens of the Charter Township of Meridian:

The comprehensive annual financial report of the Charter Township of Meridian (the “Township”) for the year ended December 31, 2021, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the Charter Township of Meridian issue annually a report on its financial position and activity, and that this report be audited by an independent certified public accounting firm. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and are reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the Charter Township of Meridian. All disclosures necessary to enable the reader to gain an understanding of the Charter Township of Meridian’s activities have been included.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Charter Township of Meridian’s MD&A can be found immediately following the report of the independent auditors.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the Charter Township of Meridian) as legally defined, as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The government provides a range of services, including police and fire protection, water and sanitary sewer services, recreational activities, and cultural events.

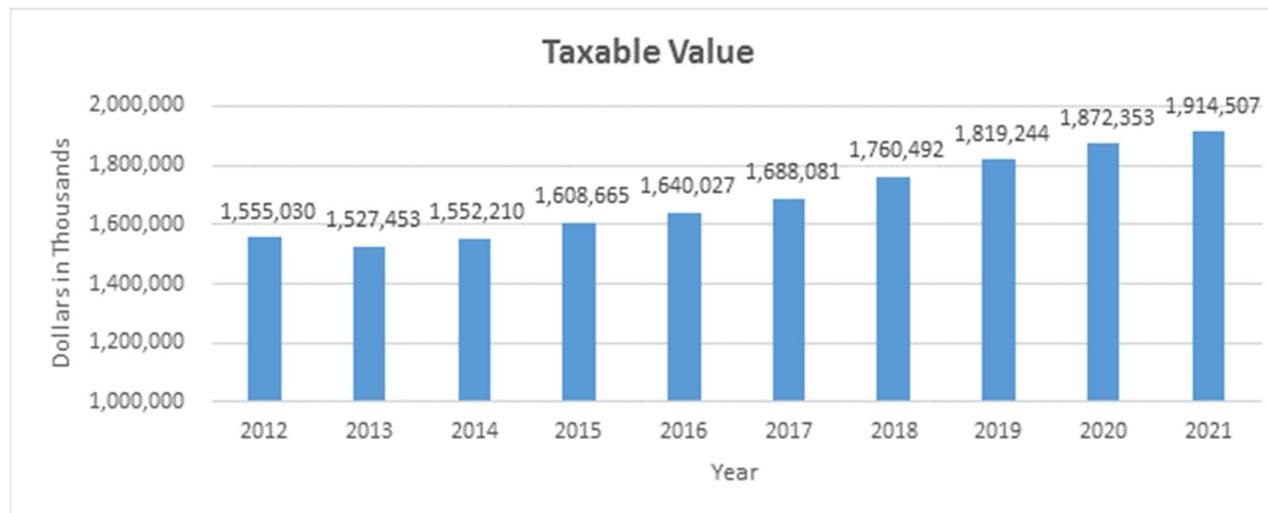
Discretely presented component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position, results of operations, and cash flows from those of the primary government. The Economic Development Corporation and the Downtown Development Authority are reported as discretely presented component units.

Governmental Structure, Local Economic Condition, and Outlook

The governmental unit, organized in 1842 and chartered in 1959, is approximately 32 square miles in the south-central area of Lower Michigan with a population of approximately 40,000. The municipality is a largely residential area located east of Lansing, the State Capital, and immediately adjacent to East Lansing, home of Michigan State University, and is part of the Lansing Metropolitan Area.

The Charter Township of Meridian was established pursuant to Act 359, Public Act of Michigan, 1947, as amended. The Township is governed by a Township Board, which is composed of a part-time Supervisor, full-time Clerk and full-time Treasurer, and four Trustees serving four-year terms. The Board is vested with all legislative powers, except those otherwise provided by law. The chief administrative officer is the Township Manager who is appointed by the Township Board and serves at its pleasure. The Manager is responsible for carrying out the policies and ordinances of the Township Board, for overseeing the day-to-day operations of the government, and for appointing the heads of the Township's departments, consistent with the duties of a Township superintendent.

The Charter Township of Meridian continues to be an attractive community for residential construction and commercial development. The following chart details the change in Taxable Value over the last ten years. The 2021 taxable value (2022 tax revenue) increased 2.25 percent over 2020 taxable value. This is the eighth consecutive year of growth in taxable value since 2009; the 2021 taxable value is 11.7 percent higher than the 2009 taxable value. The Township weathered the financial storm of the past several years by making changes to its organizational structure, increasing the usage of technology to maintain services to keep up with the demand of increased population and business activity, and monitoring and limiting discretionary spending where possible. The year ended December 31, 2021 was a very challenging year, but the Township continued to grow with new residents and businesses moving into the Township.



Major Initiatives

The Township's staff, following specific directives from the Township Board and Manager, has been involved in a variety of projects throughout the year. These projects reflect the Township's commitment to promote the safety and welfare of its residents, as well as, investing in the infrastructure vital to sustaining quality service delivery.

The following accomplishments are indicative of our commitment to maintaining a quality community:

- The year 2021 was a banner year for road improvements in the Township. Honoring our commitment in 2019, 8.87 miles of neighborhood roads were reconstructed in 2021. The work affected many of our residents all summer, and we appreciate their patience and understanding as we completed our second year of the new 10-year road program. In addition to resurfacing work, our preservation program included 7.61 miles of crack sealing and 1.5 miles of cape seal work. This preservation work will allow our roads with a Pavement Surface Evaluation and Rating (PASER) of "good" to "very good" to last longer and realize their full life expectancy. Funding for this preventative maintenance program is provided from the Township General Fund to allow all of the road bond revenue to go towards reconstruction and resurfacing work. The 2021 preservation program is still being completed. Once this work is completed, our local road network PASER rating will go from 5.08 in 2020 to 5.68 at the end of 2021. Our 2027 goal is a PASER rating of 8.
- In the summer of 2021, the Township completed the installation of a 142 kW DC flat panel system on the roof of the Service Center. In a typical year, on average, we anticipate the 142 kW system to generate 100% of the electrical usage of the Service Center. The system's generation statistic and history can be viewed on our Township website. Based on the baseline electric usage year of 2018, the Township has seen considerable energy purchase requirements go down as significant capital investments into solar panels and energy efficient systems has been made at several Township Buildings. The Municipal Building, Service Center and the South Fire Station can now boast a 59% power purchase reduction requirement from the baseline year. Future capital investments and energy reduction projects, such as the office light conversion to LED's completed in 2021 and budgeted for in 2022, will continue the progress made towards reaching the goals outlined in the Township Sustainability Plan.
- Phase 1 and Phase 2 of the MSU to Lake Lansing Pathway is being prepared for bidding. Significant surveying and engineering were required in the development of these projects. Phase 1 is the more difficult of the two, as it includes a river crossing and skirts difficult terrain and required the acquisition of two parcels requiring environmental due diligence work. All funding for both phases 1 and 2 have been secured, and we look forward to starting construction in 2022. The Shaw Street connector was also constructed in 2021 in conjunction with the local road program. This connector will provide a route from the future MSU to Lake Lansing Phase III section in downtown Haslett to Lake Lansing South Park. Preliminary design for Phase III is underway as we look to secure the necessary land and funding for the final phase of the project. As part of the pathway work, several Rectangular Rapid Flashing Beacon (RRFB)s were installed for safer pedestrian crossing at Central Park and Haslett/Van Atta. Two additional RRFBs will also be installed at Hagadorn/Shaw and on Okemos Road yet this year. The Pathway Master Plan was also updated for the next five years in summer of 2021. The plan was presented to several Boards and Commissions with final adoption by the Township Board. The 2021 Pathway Master Plan can be found on the Township's website.

- Meridian Cares functions to ensure that the human infrastructure within the community remains strong and vital. To that end, the program strives to help residents by developing, coordinating, and promoting local resources. Information, referrals, or emergency assistance was provided to Township residents for various services on an as-needed basis. In 2021, 802 requests were received and included, but were not limited to, emergency assistance for shelter, utilities, furniture, food, clothing, transportation, food baskets, or other issues. Requests for assistance came from 439 households.
- The Meridian Township Deer Management Program was developed to address the overpopulation of deer in our community that continues to cause numerous car-deer collisions, as well as excessive environmental impacts in parks, preserves and neighborhoods. In total, 330 deer were culled by volunteer archery hunters and the Meridian Police Department Staff which lead to 7,400 lbs. of venison donated to local food banks. The program took place on 41 township properties and 2 private properties (1,900 acres in total), as the result of collaboration between residential hunters and the Meridian Police Department and Sportsman Against Hunger.
- The Community Planning and Development Department saw an increase in activity in 2021 from the prior year. On the Planning side, 14 special use permits for 11 different properties and five amendments to previously approved Mixed-Use Planned Unit Development projects were processed and reviewed. There were a total of six rezoning requests submitted, four of which were approved in 2021, one of which was withdrawn, and one that was not approved until mid-2022 due to a traffic study delay. There were two zoning ordinance amendments processed in 2021, including the massive overhaul of the Mixed Use Planned Unit Development ordinance, which was several years in the making. On the Building side, over 1,100 building permits were issued, which was the highest number of permits issued in over 25 years. Trades permits were up as well, with over 650 electrical permits, 1,050 mechanical permits, and approximately 550 plumbing permits issued in the last year. Each one of those permits was inspected at least once and many were inspected multiple times, leading to thousands of hours of inspections. The rental inspection program began ramping back up after the COVID-19 pandemic led to residents and landlords alike wishing to defer inspections until the pandemic had subsided. 915 total new code enforcements were logged throughout the year, including multiple dozens in the Winslow Mobile Home Park.
- Starting in 2021, with development in mind, the demolition of almost all buildings on the two-block redevelopment site of "Village of Okemos" was launched. By the end of the first week in January, all buildings from Bottoms Up to Tuba Museum were removed and the site was cleared. The internal discussion began for Meridian Township staff and the developer on how to accomplish this project post-COVID-19. The cost of materials and labor jumped at times to 40% of their regular market price. The volatile market conditions put a hold on forward progress of many projects. The Village of Okemos, Pine Village a 55+ Independent Living Facility, Joes on Jolly, and other developments saw industry lag times of 6+ months in relation to construction. Meridian Township staff worked diligently to get the project to a launch point. The Village of Okemos developers will submit their funding request to the Michigan Economic Development Corporation (MEDC) through the Revitalization and Placemaking or RAP grant. Following the application to the RAP, the Village of Okemos will then submit a request to the MEDC for funding to support the gap in financing. If approved, site work can begin on the project in the fall of 2022.
- The Haslett Village Square complex at 1655 Haslett Road is under discussion for potential redevelopment. A developer from Holland, MI is interested in redeveloping the site to include a mix of commercial and residential space in Haslett. A public community hub is proposed to allow for outdoor dining, Wi-Fi access, a fireplace, and more. The project could be supported through a Brownfield reimbursement and commercial rehabilitation exemption to allow for construction to occur. The Township could see development begin as early as 2022.

- The Township will be fulfilling the promise of enhanced pension payments to MERS by contributing over \$4,760,790 to MERS for the fiscal year 2021. The Township contributed an extra \$1,750,000 to the plan, and is using a 5.35% rate of return assumption and not the 7.35% rate of return assumption used by MERS.
- During the calendar year 2021, the Meridian Township Treasurer's Office reported a total property taxes collected and distributed of \$109,131,271. This is up from 105,219,167 in 2020, \$102,919,241 collected in 2019, and \$95,411,904 collected in 2018. These receipts were distributed to our four local school districts (Okemos, Haslett, East Lansing and Williamston), Ingham County Government, Lansing Community College (LCC), Capital Area Transit Authority (CATA), Capital Area District Library (CADL) and the Capital Region Airport Authority (CRAA). Meridian Township operations received approximately 20% of the tax collection in 2021.
- In 2021, Meridian Township Fire Department responded to 5,590 calls – 965 fire-related calls and 4,627 emergency medical calls. Training classes were held throughout the year to allow employees to enhance their ice rescue and tech rescue skills and renew their ACLS credentials. In addition, the Department purchased new Personal Protective Equipment (PPE), structural firefighting gear and a Utility Terrain Vehicle (UTV) to support safer responses during emergencies. Recruitment efforts continued to fill the remaining vacancies, resulting in the hire of three new firefighters. In 2021, MTFD continued the project to install emergency warning sirens throughout the Township protecting residents from severe weather and other emergencies.
- The year 2021 marked our tenth siren installed, near Lake Lansing and Park Lake Roads. In 2022, an eleventh, outdoor warning siren will be installed in the area of Tihart and Cornell Roads. The goal is to finish installation of the remaining five sirens by 2026.
- The Meridian Township Police Department (MTPD) is committed to establishing and maintaining partnerships in our community; and with understanding, cooperation and equality we strive to enhance the quality of life and protect the rights of the community. The constant open communication between officers and citizens is the keystone to building a partnership based on understanding and trust. In 2021, there were 17,211 calls for service (excluding 3,646 traffic stops).
- Meridian Township Police Department views traffic safety as a key to keeping the community safe. Working with community members, Ingham County Road Department, and the Michigan Department of Transportation to address concerns related to roadway designs and maintenance is a priority. In 2021, 19 traffic studies and 39 directed patrols were completed.
- A unique partnership between Meridian Township Police Department and the Community Mental Health Authority of Clinton, Eaton, and Ingham Counties (CMHA-CEI) was established in March of 2021. The agencies identified the need for a more efficient, low impact, customer service-oriented way to provide services to our community. The intent of the program is to provide services in the individual's home environment in an effort to reduce incarceration, hospitalizations, and to keep officers and customers safe by leveraging video conferencing technology to provide swift access to services provided by clinicians at CMHA-CEI. Officers used video-conferencing in 22 incidents in 2021, during which the patient was transported 5 times. The remaining 17 incidents resulted in no action or a follow-up appointment with a clinician. As a result of this program, swift and necessary services are provided to the community who require assistance during a mental crisis. MTPD was the pilot agency for this program and, due to our successful partnership with CMHA-CEI, the program will continue to expand its services.

- Since December of 2020, the Department has hired six officers. Four of these officers were former MTPD cadets and three were sponsored by the Township through the Mid-Michigan Police Academy. New committees have been formed including a social media committee, a uniform committee, and a health and wellness committee with the goal of incentivizing officers to stay at the Department. A retention committee was also formed that will meet regularly to discuss ideas on how to retain employees. The Department is currently staffed with 36 sworn officers. There are three qualified candidates currently in the hiring process.
- The Farmers' Market continues to be a bright spot for our residents and visitors alike. The Market operated a total of 59 days in 2021 (41 Saturdays and 18 Wednesdays). The new home at Marketplace on the Green has assisted greatly with enhanced parking, accessibility, space and social opportunities. The Wednesday markets from July-October hosted free live music concerts from 6:00pm-9:00pm with food trucks and entertainment on Saturdays, as well. Quick Facts: 130 unique vendors • 62 new vendors • Total Customers: 95,218 people • Food assistance utilized at the Market: Total= \$48,210 (doubled from 2020).
- The Meridian Conservation Corps consists of 185 total members (50 new members in 2021) who volunteered 1,047 hours. Planting a Native Meridian launched in May 2021. While removing invasive species is a top stewardship priority, planting native species in their place is just as important. Quick Facts: 220 native trees planted • 150 native flower plugs planted • thousands of seeds collected. The Invasive Species Strike Team works hard throughout the season to bring stewardship to as many parks and preserves as possible, removing invasive species to open up habitat for native plants, wildlife, and insects. Quick Facts: • 1,000 pounds of invasive species removed • 30 stewardship work days • 19 species of invasive plants managed and mapped with GIS. This year marked the start of annual neighborhood cleanups that will continue to grow and include more Township areas. This is the start of a partnership between residents, local businesses and the Township to create a cleaner, safer and more sustainable community. 3,160 pounds of litter were removed from pathways, parks, and preserves in the Township.
- The Technology Team worked with Administration to select a vendor to do a complete evaluation of the aging technology infrastructure deployed across Township facilities. Policies, network design, and existing infrastructure were carefully examined throughout the final months of 2021. IT staff produced a myriad of documentation and worked with the selected consultant, Brightline, to evaluate network health and determine next best steps. Survey results and recommended project lists for 2022 are expected in February 2022.
- The Township Website Redesign Project initially began in 2020 with an internal audit of website content. In April 2021, the Granicus Project Manager and Communications staff started the Innovator Redesign Implementation Timeline with the Discovery/Consulting Phase of the project. Website traffic tracking utilizing heat maps and analytical data was the baseline for layout and design decisions. The Graphic Design, Development, Content Migration and Soft Launch Phases of the project took several months to complete. The redesigned website was launched and live to the public on November 15. The goal of the website refresh is to strengthen the Township's online presence and includes a new look and experience for site visitors. Added features and modified navigation provides community members with improved functionality and encourage additional use of the Township's online services such as live web forms, online payments and the new Service Finder component. The website remains mobile friendly and responsive. Accessibility enhancements have also been made and will continue to be addressed in the future. The website redesign has been undertaken as part of an existing contract with the Township's website host, Granicus, at minimal cost to the Township.

- In January, our DEI Task force created its mission statement, “*To promote and support a diverse, equitable, and inclusive workforce through training, evaluation, and action.*” We united our MTEAM, and Trustees Wisinski and Jackson (the latter two also happen to be on our task force) to attend a 4-hour introductory session with the Michigan Department of Civil Rights. We gathered via Zoom to learn about ourselves and each other on the topic of implicit bias. Training opportunities will continue with regularity through multiple trainers. Leaders and employees will be invited to attend training on various DEI-related topics.
- Since March of 2020, the Township has diligently worked to provide service to residents and continue operations to the extent permitted while in the midst of the COVID-19 global pandemic. The Township implemented a Safe Work from Home Program from November 2020 through May 2021, for employees whose work could, at least in part, be completed at home due to necessity caused by the pandemic. The Township continues to serve our residents without interruption. Serving in its capacity as COVID-19 Workplace Coordinator, HR maintains its connection with leadership and employees, to ensure that necessary steps and precautions are followed to ensure safety while working and serving our community. We have been fortunate for the support and assistance from our Fire Chief and EMS Training Chief, for their ongoing assistance and providing COVID-19 testing for our first responders.

Financial Information

Internal Controls: Management of the Township is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Controls: The Township maintains extensive budgetary controls. Formal budgets are adopted for all funds on a functional level. However, budgetary controls are exercised at a line item level for internal control purposes. The government maintains an encumbrance accounting system. Encumbered amounts lapse at year end. However, outstanding encumbrances, depending on their nature, may be re-appropriated as part of the following year’s budget.

Long-term Planning: The Township prepares a one-year budget; however, longer range planning is also utilized to ensure that future needs and opportunities are addressed. These planning tools include the following:

Capital Improvements Plan (CIP) – A review of planned public improvements in the next five years, which is updated annually.

Technology Upgrade/Replacement Plan – A 10-year plan which is updated annually as part of the budget process.

Vehicle Replacement Plan – A 10-year plan for replacing township vehicles and heavy equipment that is reviewed annually as part of the budget process.

Tax Revenue Projections – A five-year estimate of future tax revenues based on economic reports, expected change in tax base, and anticipated tax rates that is updated annually.

Policy Governance Manual – Policy statements and priorities set forth by the Township Board, updated annually.

Park Maintenance Plan – A five-year plan for maintaining the Township parks, updated annually.

Water & Sewer Rate Model – A 10-year projection of commodity, capital, and maintenance costs, updated annually.

Pension and Retiree Health Benefits Funding – The Township continues to monitor funding of both pension plans and the retiree health insurance plan and is continuing to budget contributions to these plans.

2021 Financial Condition: The financial condition and results of operations for 2021 are discussed in the Management’s Discussion & Analysis section of the CAFR. The Township continues to maintain a strong financial position and provides services from current revenues.

Relevant Financial Policies: There have been no situations that have affected the application of the Township’s standard financial policies.

Other Information

Independent Audit. An annual audit, required by state statute, of accounts, financial records, and transactions has been completed by the independent certified public accounting firm of Yeo & Yeo. The firm was appointed by the Township through an open bid process in 2017. Bids are requested every five to seven years.

Certificate of Achievement. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Charter Township of Meridian for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2020.

Acknowledgments. The preparation of this report could not have been accomplished without the efficient and dedicated services of the Finance Department staff and the Treasurer’s Department.

Respectfully submitted,



Frank L. Walsh
Township Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

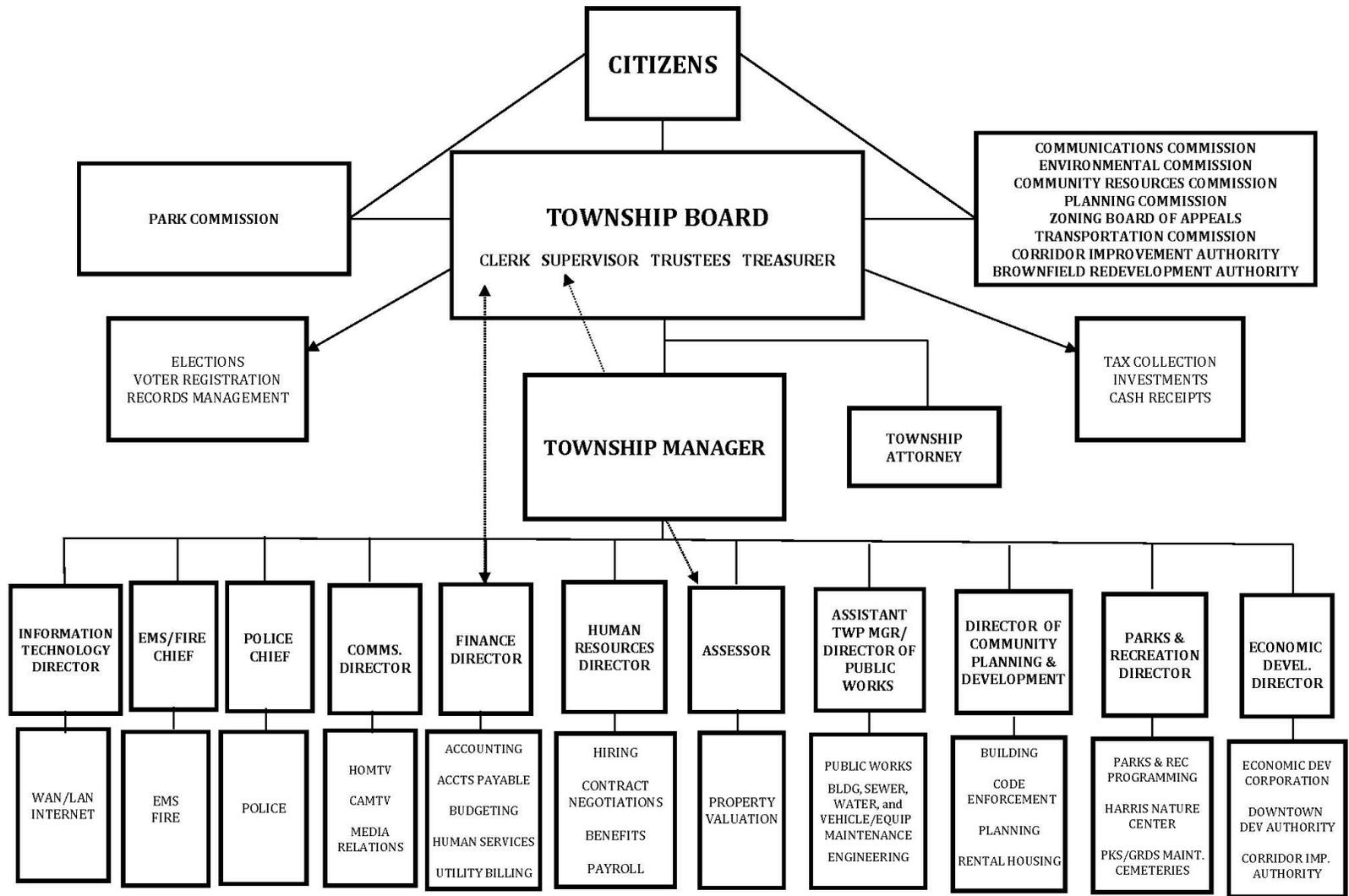
**Charter Township of Meridian
Michigan**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO



Dotted Lines – Denotes Relationship defined by State Statute

Charter Township of Meridian
List of Elected and Appointed Officials
December 31, 2021

Elected Officials

Township Board

Supervisor	Ronald Styka
Clerk	Deborah Guthrie
Treasurer	Philip Deschaine
Trustee	Courtney Wisinski
Trustee	Patricia Herring Jackson
Trustee	Dan Opsommer
Trustee	Kathy Ann Sundland

Park Commission

Chair	Mary Nardo Farris
Vice Chair	Ami Van Antwerp
Commissioner	Mark Stephens
Commissioner	Michael McDonald
Commissioner	Amanda Lick

Appointed Officials

Manager	Frank Walsh
Human Resources Director	Abby Tithof
Finance Director	Miriam Mattison
Parks & Recreation Director	LuAnn Maisner
Assessor	Ashley Winstead
Community Planning and Development Director	Tim Schmitt
Assistant Township Manager and Director of Public Works and Engineering	Derek Perry
Fire Chief	Mike Hamel
Police Chief	Ken Plaga
Communications Director	Brandie Yates
Information Technology Director	Stephen Gebes
Economic Development Director	Amber Clark



800.968.0010 | yeoandyeo.com

Independent Auditors' Report

Township Board
Charter Township of Meridian
Ingham County, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charter Township of Meridian, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Charter Township of Meridian as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the East Lansing – Meridian Water and Sewer Authority, a joint venture, which represents 7.38 percent of the assets of the business-type activities as of December 31, 2021, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the East Lansing – Meridian Water and Sewer Authority, a joint venture, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Charter Township of Meridian, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Charter Township of Meridian's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness Charter Township of Meridian's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Charter Township of Meridian's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Charter Township of Meridian's basic financial statements. The other supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information, as identified in the table of contents, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Yeo & Yeo, P.C.

Lansing, Michigan
May 31, 2022

Charter Township of Meridian Management's Discussion and Analysis December 31, 2021

The Township's Annual Comprehensive Financial Report is presented in the format required by the Governmental Accounting Standards Board (GASB) Statement No. 34. The 2021 annual report consists of five parts: (1) management's discussion and analysis, (2) the basic financial statements, (3) required supplementary information, (4) other supplementary information that presents combining statements for nonmajor governmental funds, and (5) a statistical section. The basic financial statements include two kinds of statements that present different views of the Township. The first two statements are government-wide financial statements that provide both long-term and short-term information about the Township's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the Township's government, reporting the Township's operations in more detail than the government-wide statements.

Government-wide Statements

The government-wide statements report information about the Township as a whole using accounting methods similar to those used by private sector companies. The statement of net position includes all of the government's assets and deferred outflows of resources and liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the Township's net position and how it has changed. Net position, the difference between the Township's assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one way to measure the Township's financial health or position.

The government-wide financial statements of the Township are divided into three categories:

- **Governmental Activities** – Most of the Township's basic services are included here, such as police, fire, streets and highways, recreation, parks, and general administration. Property taxes, state-shared revenue, and charges for services provide most of the funding.
- **Business-type Activities** – The Township charges fees to customers to cover the costs of certain services it provides. The Township's water and sewer system is treated as a business-type activity.
- **Component Units** – The Township includes three other entities in its report: the Downtown Development Authority, the Brownfield Redevelopment Authority, and the Economic Development Corporation. Although legally separate, these "component units" are important because the Township is financially accountable for them.

Fund Financial Statements

The fund financial statements provide more detailed information about the Township's most significant funds – not the Township as a whole. Funds are accounting devices that the Township uses to keep track of specific sources of revenue and spending for particular purposes. Some funds are required by state law and bond covenants. The Township's Board establishes other funds to control and manage money for particular purposes.

Charter Township of Meridian
Management's Discussion and Analysis
December 31, 2021

Fund Financial Statements (continued)

The Township has three kinds of funds:

- **Governmental Funds** – Most of the Township's basic services are included in governmental funds, which focus on how cash and other financial assets that can be readily converted to cash flow in and out and the balances left at year end that are available for spending. The governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Township's programs.
- **Proprietary Funds** – Services for which the Township charges customers a fee are generally reported in proprietary funds. Proprietary funds, like government-wide statements, provide both long and short-term financial information.
- **Fiduciary Funds** – The Township is responsible for ensuring that the assets reported in these funds are used for their intended purpose (taxes collected on behalf of other agencies and retirement payments). All of the Township's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the Township's government-wide financial statements because the Township cannot use these assets to finance its operations.

**Charter Township of Meridian
Management's Discussion and Analysis
December 31, 2021**

Financial Overview

In a condensed format, the table below shows a comparison of the net position as of the current date to the prior year:

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current assets	\$ 59,769,890	\$ 56,916,665	\$ 13,996,763	\$ 11,300,352	\$ 73,766,653	\$ 68,217,017
Capital assets	63,411,533	57,658,440	64,805,905	67,289,180	128,217,438	124,947,620
Investment in joint venture	-	-	6,282,032	5,910,078	6,282,032	5,910,078
Total assets	123,181,423	114,575,105	85,084,700	84,499,610	208,266,123	199,074,715
Deferred outflows of resources						
Deferred OPEB	672,140	132,405	-	-	672,140	132,405
Deferred pension	7,634,647	6,032,796	228,266	180,869	7,862,913	6,213,665
Current liabilities	8,306,787	6,165,201	228,266	180,869	8,535,053	6,346,070
Liabilities						
Current liabilities	3,417,582	2,048,095	1,040,882	399,002	4,458,464	2,447,097
Long-term liabilities	36,275,734	38,763,069	26,460,333	27,652,805	62,736,067	66,415,874
Total liabilities	39,693,316	40,811,164	27,501,215	28,051,807	67,194,531	68,862,971
Deferred inflows of resources						
Property taxes levied for a subsequent period	21,015,517	20,098,778	-	-	21,015,517	20,098,778
Deferred OPEB	1,904,416	2,418,763	-	-	1,904,416	2,418,763
Deferred pension	2,641,310	948,762	61,825	12,873	2,703,135	961,635
Special assessments levied for a subsequent period	472,985	1,023,924	-	-	472,985	1,023,924
Total deferred inflows of resources	26,034,228	24,490,227	61,825	12,873	26,096,053	24,503,100
Net Position						
Net investment in capital assets	55,087,882	51,738,456	39,140,818	40,505,019	94,228,700	92,243,475
Restricted	13,626,604	12,130,341	-	-	13,626,604	12,130,341
Unrestricted	(2,953,820)	(8,429,882)	18,609,108	16,110,780	15,655,288	7,680,898
Total net position	\$ 65,760,666	\$ 55,438,915	\$ 57,749,926	\$ 56,615,799	\$ 123,510,592	\$ 112,054,714

Charter Township of Meridian
Management's Discussion and Analysis
December 31, 2021

The Charter Township of Meridian had combined net position of \$123.5 Million. Business-type activities comprise \$57.7 million and governmental activities make up \$65.8 million of the total net position. The total net position increased in total by \$11.4 million, or 10.22%. This increase is due to the \$3.3 million increase in capital assets, a \$5.5 million increase in current assets, and a decrease of \$3.7 million in Long-term liabilities.

There was a \$1.5 million increase in the restricted net position.

The current ratio (current assets divided by current liabilities) is at 16.55, a decrease from 27.88 in 2020. The decrease in this ratio is related to an increase in current liabilities. The addition is from accounts payable and accrued liabilities. This ratio shows that the Township has adequate current assets to meet its current obligations.

Long-term liabilities of \$62.7 million represent 50.8% of net position; however, \$24.8 million of this is the net pension and OPEB liability. This is a decrease of \$3.7 million from 2020. The decrease is due to a reduction of \$2.5 million in Governmental liabilities and a reduction of \$1.2 million in Business liabilities. The Township is working on reducing the pension and OPEB liabilities through contract changes and additional payments.

Governmental Activities

Revenues for governmental activities totaled approximately \$33.7 million in 2021. A total of \$20.6 million was in the form of property tax collections and \$5.9 million was charges for services. Revenue from other sources was fairly consistent with 2020.

Expenses for governmental activities totaled \$23.3 million. A little less than half (47.5 %) of this expense funded public safety in the Township.

Business-type Activities

Business-type activities in the Township include water and sewer services. Revenue for business-type activities totaled \$13.4 million; \$12.9 million was collected from customers and \$.09 million is the value of assets contributed by developers. The Township purchases water from the East Lansing-Meridian Water Sewer Authority and the Board of Water and Light, and water is distributed by the Township through mains to customers. The Township contracts for sewage treatment from the City of East Lansing Wastewater Treatment Plant. Township residential customers are billed quarterly for water and sewer service based on water consumption. Commercial customers are billed monthly.

**Charter Township of Meridian
Management's Discussion and Analysis
December 31, 2021**

The following table shows the changes in net position:

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenue						
Program revenue:						
Charges for services	\$5,923,102	\$5,210,594	\$12,864,283	\$12,952,052	\$18,787,385	\$18,162,646
Operating grants and contributions	855,790	1,460,279	-	-	855,790	1,460,279
Capital grants and contributions	1,535,977	252,000	93,913	1,300,487	1,629,890	1,552,487
General Revenue:						
Property taxes	20,619,681	20,099,409	-	-	20,619,681	20,099,409
State sources	4,332,799	3,728,315	-	-	4,332,799	3,728,315
Unrestricted investment income (loss)	213,544	719,611	45,699	22,946	259,243	742,557
Gain on Sale of capital assets	153,641	5,490	-	-	153,641	5,490
Other miscellaneous income	31,840	622,703	371,954	-	403,794	622,703
Total revenue	33,666,374	32,098,401	13,375,849	14,275,485	47,042,223	46,373,886
Program Expenses						
General government	5,037,348	5,350,419	-	-	5,037,348	5,350,419
Public safety	11,088,356	12,449,920	-	-	11,088,356	12,449,920
Public works	2,127,485	1,850,883	-	-	2,127,485	1,850,883
Health and welfare	232,885	196,026	-	-	232,885	196,026
Community and economic development	1,554,245	128,695	-	-	1,554,245	128,695
Recreation and culture	2,944,096	1,221,131	-	-	2,944,096	1,221,131
Interest on long-term debt	360,208	400,206	-	-	360,208	400,206
Water and sewer	-	-	12,241,722	12,092,026	12,241,722	12,092,026
Total program expenses	23,344,623	21,597,280	12,241,722	12,092,026	35,586,345	33,689,306
Change in Net Position	10,321,751	10,501,121	1,134,127	2,183,459	11,455,878	12,684,580
Net Position – beginning of year	55,438,915	44,937,794	56,615,799	54,432,340	112,054,714	99,370,134
Net Position – end of year	\$65,760,666	\$55,438,915	\$57,749,926	\$56,615,799	\$123,510,592	\$112,054,714

**Charter Township of Meridian
Management's Discussion and Analysis
December 31, 2021**

Current Economic Events

The Township continues to experience a relatively healthy economy in the community. This is seen in a relatively stable housing market, as well as some new construction growth. The Township saw an increase in taxable value through 2008. The 2009 taxable value and tax revenues were flat, but in 2010 through 2012 both taxable value and tax revenue experienced decreases. The 2013 taxable value decreased, however the increase of 0.05 mills kept the tax revenue flat for 2013. The 2014 taxable value decreased, however revenue increased due to the addition of 0.2 mills. In 2015, the taxable value increased for the first time since 2008. Looking forward to 2022, we see that the taxable value will continue to increase for the seventh year in a row, bringing us 11.7% above 2009. This, coupled with rising costs, continues to create challenges to maintain existing services levels.

Personnel costs represent approximately 72.4% of the governmental operating expenses of the Township. The increasing cost of healthcare and legacy costs continue to be a concern. Changes in programs and employee cost-sharing agreements in the past couple of years have helped to contain healthcare costs; however, they continue to rise along with payroll taxes, pension, and other personnel costs. Operating efficiencies, organizational restructuring, and improved technology have helped to contain expenditures to available revenue.

Financial Analysis of Township Funds and Budgets

The General Fund ended 2021 with an unassigned fund balance of approximately \$10.2 million (compared with \$9.3 million in 2020). This represents approximately 5 months of annual expenditures, which is within the requirements of policy governance established by the Township's board. The total increase in fund balance is approximately \$3.0 million. The overall increase is a result of an increase of \$0.5 million of State-shared revenue and a reduction of expenses for General Government of \$1.7 million. The Township has continued to operate with a balanced budget. This has been accomplished with the dedicated efforts of all employees to work more efficiently, manage expenditures, and enhance revenue whenever possible.

The Land Preservation Fund continues to maintain a healthy fund balance of \$7.3 million. The fund balance increased \$.08 million from 2020 mainly attributable to millage collected.

The Local Roads fund has a fund balance of \$4.7 million. The fund balance decrease \$2.9 million from 2020 attributed to fixing and maintain the townships road system.

Budget Variances

All funds of the Township operate with a board-approved budget. These budgets are monitored and amended as needed throughout the year. Such amendments are primarily related to projects carried over from the prior year and unanticipated projects or revenue. In addition, unexpected changes in projected revenues may result in changes to the expenditure budgets (e.g., reduction in state-shared revenue).

**Charter Township of Meridian
Management's Discussion and Analysis
December 31, 2021**

The actual vs. budget variances in the General Fund are the result of efforts to keep costs below budget. On the revenue side, the largest positive variances occurred in the State-shared revenue and charges for services related to the Planning department. On the expenditure side, the departments with the largest variances (expenditures under budget) include Police Department, Fire Department, and Meridian Redevelopment. The General fund had no significant budget amendments during the year.

Capital Assets Activity

There were several small projects in 2021, including installation of solar panels at the service center and finishing Harris Nature Center Pavilion & restroom.

Additional information about capital assets is presented in Note 7 to the financial statements.

Long-term Debt Activity

The Township continued to pay off its debt and made principal payments on the outstanding governmental activities debt of approximately \$3,790,000 during 2021. Outstanding governmental activities debt at December 31, 2021 including compensated absences was approximately \$12.2 million. The Township added 3.1 million in new debt for Nemoka Drain Project.

For business-type activities, the Township recorded \$1.2 million of new debt for wastewater system improvements and paid down approximately \$2.4 million of existing debt. Ending business-type debt including compensated absences was approximately \$25.7 million.

More detailed information about long-term liabilities is presented in Note 9 to the financial statements.

Contact Us

This report is intended to aid our residents and other interested parties in understanding the Township's financial condition. Should you have further questions, please contact the Finance Department at the Township's Municipal Building.

Charter Township of Meridian
Statement of Net Position
December 31, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Cash and cash equivalents	\$ 38,409,677	\$ 9,266,298	\$ 47,675,975	\$ 162,111
Investments	6,429,378	1,938,560	8,367,938	-
Receivables				
Taxes	11,615,382	-	11,615,382	357,147
Customers	-	2,421,694	2,421,694	-
Special assessments	1,343,406	-	1,343,406	-
Other, net of allowance	508,703	-	508,703	-
Due from other units of government	728,113	-	728,113	-
Internal balances	(15,638)	15,638	-	-
Inventories	-	316,098	316,098	-
Prepaid items	252,032	38,475	290,507	-
Investment in joint venture	-	6,282,032	6,282,032	-
Net pension asset	498,837	-	498,837	-
Capital assets not being depreciated	36,302,541	363,060	36,665,601	-
Capital assets, net of accumulated depreciation	27,108,992	64,442,845	91,551,837	-
Total assets	<u>123,181,423</u>	<u>85,084,700</u>	<u>208,266,123</u>	<u>519,258</u>
Deferred Outflows of Resources				
Deferred amount related to net OPEB liability	672,140	-	672,140	-
Deferred amount related to net pension liability	7,634,647	228,266	7,862,913	-
Total deferred outflows of resources	<u>8,306,787</u>	<u>228,266</u>	<u>8,535,053</u>	<u>-</u>
Liabilities				
Accounts payable	684,512	298,310	982,822	-
Accrued and other liabilities	256,980	433,943	690,923	-
Due to other units of government	1,389	-	1,389	-
Performance bonds and other deposits payable	136,034	308,629	444,663	-
Unearned revenue	2,338,667	-	2,338,667	-
Long-term debt				
Due within one year	4,140,904	2,239,811	6,380,715	-
Due in more than one year	8,063,518	23,511,630	31,575,148	-
Net OPEB liability (due in more than one year)	361,292	-	361,292	-
Net pension liability (due in more than one year)	23,710,020	708,892	24,418,912	-
Total liabilities	<u>39,693,316</u>	<u>27,501,215</u>	<u>67,194,531</u>	<u>-</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Statement of Net Position
December 31, 2021

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Deferred Inflows of Resources				
Property taxes levied for a subsequent period	\$ 21,015,517	\$ -	\$ 21,015,517	\$ 356,948
Special assessments levied for a subsequent period	472,985	-	472,985	-
Deferred amount related to net OPEB liability	1,904,416	-	1,904,416	-
Deferred amount related to net pension liability	2,641,310	61,825	2,703,135	-
Total deferred inflows of resources	<u>26,034,228</u>	<u>61,825</u>	<u>26,096,053</u>	<u>356,948</u>
Net Position				
Net investment in capital assets	55,087,882	39,140,818	94,228,700	-
Restricted for				
Land preservation	7,318,643	-	7,318,643	-
Pedestrian/bike path millage	2,039,780	-	2,039,780	-
Fire	6,393	-	6,393	-
Police	69,238	-	69,238	-
Senior center millage	342,709	-	342,709	-
Cable TV	216,276	-	216,276	-
Community needs	106,266	-	106,266	-
Library	13,558	-	13,558	-
Grants	133,136	-	133,136	-
CATA millage	10,066	-	10,066	-
Local roads	1,618,852	-	1,618,852	-
Park millage	386,547	-	386,547	-
Fire station debt service	472,286	-	472,286	-
Road debt service	892,854	-	892,854	-
Unrestricted (deficit)	<u>(2,953,820)</u>	<u>18,609,108</u>	<u>15,655,288</u>	<u>162,310</u>
Total net position	<u>\$ 65,760,666</u>	<u>\$ 57,749,926</u>	<u>\$ 123,510,592</u>	<u>\$ 162,310</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Statement of Activities
For the Year Ended December 31, 2021

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government								
Governmental activities								
General government	\$ 5,037,348	\$ 1,496,517	\$ 349,201	\$ -	\$ (3,191,630)	\$ -	\$ (3,191,630)	\$ -
Public safety	11,088,356	3,077,988	43,816	-	(7,966,552)	-	(7,966,552)	-
Public works	2,127,485	1,050,000	-	784,154	(293,331)	-	(293,331)	-
Health and welfare	232,885	-	40,063	-	(192,822)	-	(192,822)	-
Community and economic development	1,554,245	-	-	-	(1,554,245)	-	(1,554,245)	-
Recreation and culture	2,944,096	298,597	422,710	751,823	(1,470,966)	-	(1,470,966)	-
Interest and fiscal charges on long-term debt	360,208	-	-	-	(360,208)	-	(360,208)	-
Total governmental activities	<u>23,344,623</u>	<u>5,923,102</u>	<u>855,790</u>	<u>1,535,977</u>	<u>(15,029,754)</u>	<u>-</u>	<u>(15,029,754)</u>	<u>-</u>
Business-type activities								
Sewer	5,679,984	6,649,994	-	27,550	-	997,560	997,560	-
Water	6,561,738	6,214,289	-	66,363	-	(281,086)	(281,086)	-
Total business-type activities	<u>12,241,722</u>	<u>12,864,283</u>	<u>-</u>	<u>93,913</u>	<u>-</u>	<u>716,474</u>	<u>716,474</u>	<u>-</u>
Total primary government	<u>\$ 35,586,345</u>	<u>\$ 18,787,385</u>	<u>\$ 855,790</u>	<u>\$ 1,629,890</u>	<u>(15,029,754)</u>	<u>716,474</u>	<u>(14,313,280)</u>	<u>-</u>
Component units								
Downtown Development Authority	\$ 520	\$ -	\$ 124,500	\$ -				123,980
Brownfield Redevelopment Authority	703,305	-	274,602	-				(428,703)
Economic Development Corporation	8,020	10,000	1,000	-				2,980
Total component units	<u>\$ 711,845</u>	<u>\$ 10,000</u>	<u>\$ 400,102</u>	<u>\$ -</u>				<u>(301,743)</u>
General revenues								
Property taxes					20,619,681	-	20,619,681	501,961
State-shared revenue (unrestricted)					4,332,799	-	4,332,799	-
Investment income					213,544	45,699	259,243	27
Gain on sale of capital assets					153,641	-	153,641	-
Miscellaneous					31,840	371,954	403,794	-
Total general revenues					<u>25,351,505</u>	<u>417,653</u>	<u>25,769,158</u>	<u>501,988</u>
Change in net position					10,321,751	1,134,127	11,455,878	200,245
Net position - beginning of year					<u>55,438,915</u>	<u>56,615,799</u>	<u>112,054,714</u>	<u>(37,935)</u>
Net position - end of year					<u>\$ 65,760,666</u>	<u>\$ 57,749,926</u>	<u>\$ 123,510,592</u>	<u>\$ 162,310</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Governmental Funds
Balance Sheet
December 31, 2021

	General	Special Revenue Funds		Debt	Nonmajor Governmental Funds	Total Governmental Funds
		Local Roads	Land Preservation	Service Fund Road Debt		
Assets						
Cash and cash equivalents	\$ 16,350,482	\$ 4,737,913	\$ 4,498,320	\$ 2,561,169	\$ 8,368,600	\$ 36,516,484
Investments	3,520,398	-	2,908,980	-	-	6,429,378
Receivables						
Taxes	7,816,445	-	108,075	2,100,382	1,590,480	11,615,382
Special assessments	191,155	-	-	-	1,152,251	1,343,406
Other, net of allowance	503,478	1,999	527	-	2,699	508,703
Due from other units of government	719,918	-	-	-	8,195	728,113
Due from other funds	5,728	-	-	-	-	5,728
Prepaid items	244,619	416	-	-	283	245,318
Total assets	\$ 29,352,223	\$ 4,740,328	\$ 7,515,902	\$ 4,661,551	\$ 11,122,508	\$ 57,392,512
Liabilities						
Accounts payable	\$ 504,917	\$ 69,333	\$ 3,210	\$ -	\$ 97,562	\$ 675,022
Accrued and other liabilities	2,635	-	-	-	5,734	8,369
Due to other funds	-	-	325	-	19,785	20,110
Due to other units of government	1,389	-	-	-	-	1,389
Performance deposits payable	136,034	-	-	-	-	136,034
Unearned revenue	78,035	-	-	-	2,260,632	2,338,667
Total liabilities	723,010	69,333	3,535	-	2,383,713	3,179,591
Deferred Inflows of Resources						
Unavailable revenue - state shared revenue	724,479	-	-	-	-	724,479
Unavailable revenue - special assessments	-	-	-	-	1,072,251	1,072,251
Unavailable revenue - ambulance charges	44,000	-	-	-	-	44,000
Unavailable revenue - federal grant revenue	-	-	-	-	8,195	8,195
Property taxes levied for a subsequent period	14,302,233	1,010	193,724	3,707,634	2,810,916	21,015,517
Special assessments levied for a subsequent period	392,985	-	-	-	80,000	472,985
Total deferred inflows of resources	15,463,697	1,010	193,724	3,707,634	3,971,362	23,337,427

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Governmental Funds
Balance Sheet
December 31, 2021

	General	Special Revenue Funds		Debt	Nonmajor Governmental Funds	Total Governmental Funds
		Local Roads	Land Preservation	Service Fund Road Debt		
Fund Balances						
Non-spendable						
Prepaid items	\$ 244,619	\$ 416	\$ -	\$ -	\$ 283	\$ 245,318
Restricted for						
Land preservation	-	-	7,318,643	-	-	7,318,643
Pedestrian/bike path millage	-	-	-	-	2,039,780	2,039,780
Fire	-	-	-	-	6,393	6,393
Police	-	-	-	-	69,238	69,238
Senior center millage	-	-	-	-	342,709	342,709
Cable TV	-	-	-	-	216,276	216,276
Community needs	-	-	-	-	106,266	106,266
Library	-	-	-	-	13,558	13,558
Grants	-	-	-	-	133,136	133,136
Capital area transportation authority millage	-	-	-	-	10,066	10,066
Local roads	-	1,618,436	-	-	-	1,618,436
Local roads - capital projects	-	3,051,133	-	-	-	3,051,133
Park millage	-	-	-	-	386,264	386,264
Fire station debt service	-	-	-	-	482,902	482,902
Road debt service	-	-	-	953,917	-	953,917
Assigned						
Township improvement	-	-	-	-	960,562	960,562
Subsequent fiscal year budget	2,694,359	-	-	-	-	2,694,359
Unassigned	10,226,538	-	-	-	-	10,226,538
Total fund balances	13,165,516	4,669,985	7,318,643	953,917	4,767,433	30,875,494
Total liabilities, deferred inflows of resources, and fund balances	\$ 29,352,223	\$ 4,740,328	\$ 7,515,902	\$ 4,661,551	\$ 11,122,508	\$ 57,392,512

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Governmental Funds
Reconciliation of Fund Balances of Governmental Funds
to Net Position of Governmental Activities
December 31, 2021

Total fund balances for governmental funds	\$ 30,875,494
Total net position for governmental activities in the statement of net position is different because:	
Capital assets not being depreciated used in governmental activities are not financial resources and therefore are not reported in the funds.	36,302,541
Capital assets net of accumulated depreciation used in governmental activities are not financial resources and therefore are not reported in the funds.	24,963,712
Certain receivables are not available to pay for current period expenditures and, therefore are deferred in the funds.	1,848,925
Certain liabilities are not due and payable in the current period and are not reported in the funds.	
Accrued interest	(248,611)
Compensated absences	(819,141)
Deferred outflows (inflows) of resources.	
Deferred outflows of resources resulting from net OPEB liability	672,140
Deferred inflows of resources resulting from net OPEB liability	(1,904,416)
Deferred outflows of resources resulting from net pension liability (asset)	7,605,656
Deferred inflows of resources resulting from net pension liability (asset)	(2,633,459)
Long-term liabilities applicable to governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities.	
Bonds payable and other long-term liabilities	(11,374,784)
Net OPEB liability	(361,292)
Net pension asset	498,837
Net pension liability	(23,619,990)
Internal service funds are included as part of governmental activities.	<u>3,955,054</u>
Net position of governmental activities	<u>\$ 65,760,666</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2021

	General	Special Revenue Funds		Debt	Nonmajor Governmental Funds	Total Governmental Funds
		Local Roads	Land Preservation	Service Fund Road Debt		
Revenues						
Taxes	\$ 14,049,533	\$ 2,666	\$ 190,497	\$ 3,631,677	\$ 2,745,308	\$ 20,619,681
Licenses and permits	2,209,855	-	-	-	-	2,209,855
Federal grants	919,282	-	-	-	4,217	923,499
State shared revenue	4,097,493	-	-	-	-	4,097,493
State grants	111,686	-	-	-	227,795	339,481
Local contributions	-	-	-	-	153,000	153,000
Charges for services	3,387,104	-	-	-	231,858	3,618,962
Fines and forfeitures	351,728	-	-	-	1,104	352,832
Investment income	37,857	109,573	9,310	5,579	48,329	210,648
Other revenue	546,366	-	-	-	979,433	1,525,799
Total revenues	25,710,904	112,239	199,807	3,637,256	4,391,044	34,051,250
Expenditures						
Current						
General government	6,483,253	-	-	-	-	6,483,253
Public safety	12,620,686	-	-	-	10,977	12,631,663
Public works	-	3,295,196	-	-	1,170,775	4,465,971
Health and welfare	65,439	-	-	-	153,876	219,315
Community and economic development	1,553,537	-	-	-	-	1,553,537
Recreation and culture	1,088,685	-	114,709	-	1,744,312	2,947,706
Debt service						
Principal retirement	396,408	-	-	3,165,000	230,000	3,791,408
Interest and fiscal charges	81,841	-	-	402,500	44,590	528,931
Total expenditures	22,289,849	3,295,196	114,709	3,567,500	3,354,530	32,621,784
Excess (deficiency) of revenues over expenditures	3,421,055	(3,182,957)	85,098	69,756	1,036,514	1,429,466

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2021

	General	Special Revenue Funds		Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
		Local Roads	Land Preservation	Road Debt		
Other financing sources (uses)						
Transfers in	\$ 50,000	\$ 280,000	\$ -	\$ -	\$ -	\$ 330,000
Transfers out	(511,300)	-	-	-	(50,000)	(561,300)
Total other financing sources (uses)	(461,300)	280,000	-	-	(50,000)	(231,300)
Net change in fund balance	2,959,755	(2,902,957)	85,098	69,756	986,514	1,198,166
Fund balance - beginning of year	10,205,761	7,572,942	7,233,545	884,161	3,780,919	29,677,328
Fund balance - end of year	<u>\$ 13,165,516</u>	<u>\$ 4,669,985</u>	<u>\$ 7,318,643</u>	<u>\$ 953,917</u>	<u>\$ 4,767,433</u>	<u>\$ 30,875,494</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Governmental Funds
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2021

Net change in fund balances - total governmental funds	\$	1,198,166
Total change in net position reported for governmental activities in the statement of activities is different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Depreciation expense		(2,588,838)
Capital outlay		4,908,237
Donations of capital assets		3,120,000
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds.		
State-shared revenue		130,288
Special assessments		552,296
Ambulance charges		16,000
Federal grant revenue		(1,074,648)
Cable franchise fees		(165,349)
Expenses are recorded when incurred in the statement of activities.		
Accrued interest		(51,398)
Compensated absences		20,553
The statement of net position reports the net pension liability (asset) and deferred outflows of resources and deferred inflows related to the net pension liability (asset) and pension expense. However, the amount recorded on the governmental funds equals actual pension contributions.		
Net change in net pension liability (asset)		2,369,295
Net change in the deferred outflow of resources related to the net pension liability (asset)		1,595,757
Net change in the deferred inflow of resources related to the net pension liability (asset)		(1,686,325)
The statement of net position reports the net OPEB liability and deferred outflows of resources and deferred inflows related to the net OPEB liability and OPEB expense. However, the amount recorded on the governmental funds equals actual OPEB contributions.		
Net change in net OPEB liability		(342,831)
Net change in the deferred outflow of resources related to the net OPEB liability		539,735
Net change in the deferred inflow of resources related to the net OPEB liability		514,347
Bond proceeds are reported as financing sources in the governmental funds and thus contribute to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the statement of net position.		
Debt issued		(3,120,000)
Repayments of long-term debt		3,791,408
Amortization of premiums		220,121
Internal service funds are also included as governmental activities		374,937
Change in net position of governmental activities	\$	10,321,751

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Proprietary Funds
Statement of Net Position
December 31, 2021

	Enterprise Funds			Internal
	Water	Sewer	Total	Service Fund Motor Pool
Assets				
Current assets				
Cash and cash equivalents	\$ 2,710,684	\$ 6,555,614	\$ 9,266,298	\$ 1,893,193
Investments	1,938,560	-	1,938,560	-
Receivables				
Customers	1,110,027	1,311,667	2,421,694	-
Due from other funds	14,335	3,513	17,848	-
Inventories	316,098	-	316,098	-
Prepaid items	30,836	7,639	38,475	6,714
Total current assets	<u>6,120,540</u>	<u>7,878,433</u>	<u>13,998,973</u>	<u>1,899,907</u>
Noncurrent assets				
Investment in joint venture	6,282,032	-	6,282,032	-
Capital assets, net of accumulated depreciation	18,344,638	46,098,207	64,442,845	2,145,280
Capital assets not being depreciated	181,530	181,530	363,060	-
Total noncurrent assets	<u>24,808,200</u>	<u>46,279,737</u>	<u>71,087,937</u>	<u>2,145,280</u>
Total assets	<u>30,928,740</u>	<u>54,158,170</u>	<u>85,086,910</u>	<u>4,045,187</u>
Deferred Outflows of Resources				
Deferred amount related to net pension liability	<u>141,419</u>	<u>86,847</u>	<u>228,266</u>	<u>28,991</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Proprietary Funds
Statement of Net Position
December 31, 2021

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
Liabilities				
Current liabilities				
Accounts payable	\$ 287,091	\$ 11,219	\$ 298,310	\$ 9,490
Accrued and other liabilities	-	433,943	433,943	-
Due to other funds	1,680	530	2,210	1,256
Performance bonds and other deposits payable	-	308,629	308,629	-
Current portion of noncurrent liabilities	<u>8,742</u>	<u>2,231,069</u>	<u>2,239,811</u>	<u>1,889</u>
Total current liabilities	<u>297,513</u>	<u>2,985,390</u>	<u>3,282,903</u>	<u>12,635</u>
Noncurrent liabilities				
Net pension liability	439,190	269,702	708,892	90,030
Long-term debt net of current portion	<u>39,825</u>	<u>23,471,805</u>	<u>23,511,630</u>	<u>8,608</u>
Total noncurrent liabilities	<u>479,015</u>	<u>23,741,507</u>	<u>24,220,522</u>	<u>98,638</u>
Total liabilities	<u>776,528</u>	<u>26,726,897</u>	<u>27,503,425</u>	<u>111,273</u>
Deferred Inflows of Resources				
Deferred amount related to net pension liability	<u>38,299</u>	<u>23,526</u>	<u>61,825</u>	<u>7,851</u>
Net Position				
Net investment in capital assets	18,526,168	20,614,650	39,140,818	2,145,280
Unrestricted	<u>11,729,164</u>	<u>6,879,944</u>	<u>18,609,108</u>	<u>1,809,774</u>
Total net position	<u>\$ 30,255,332</u>	<u>\$ 27,494,594</u>	<u>\$ 57,749,926</u>	<u>\$ 3,955,054</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2021

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
Operating revenue				
Sale of water	\$ 5,686,336	\$ -	\$ 5,686,336	\$ -
Sewage disposal charges	-	6,185,273	6,185,273	-
Charges for services	483,113	464,405	947,518	1,151,320
Other revenue	44,840	316	45,156	-
	<u>6,214,289</u>	<u>6,649,994</u>	<u>12,864,283</u>	<u>1,151,320</u>
Total operating revenue				
Operating expenses				
Cost of water purchases	3,479,226	-	3,479,226	-
Cost of sewage treatment	-	2,149,311	2,149,311	-
Operation and maintenance	667,447	384,768	1,052,215	471,549
General administrative	596,259	622,586	1,218,845	202,957
Personnel services	1,068,316	699,963	1,768,279	-
Depreciation	750,490	1,251,674	2,002,164	489,714
	<u>6,561,738</u>	<u>5,108,302</u>	<u>11,670,040</u>	<u>1,164,220</u>
Total operating expenses				
Operating income (loss)	<u>(347,449)</u>	<u>1,541,692</u>	<u>1,194,243</u>	<u>(12,900)</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2021

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
Nonoperating revenue (expenses)				
Investment income	\$ 38,527	\$ 7,172	\$ 45,699	\$ 2,896
Change in value of joint venture	371,954	-	371,954	-
Gain on sale of assets	-	-	-	153,641
Interest expense	-	(571,682)	(571,682)	-
 Total nonoperating revenues (expenses)	 410,481	 (564,510)	 (154,029)	 156,537
 Income before contributions and transfers	 63,032	 977,182	 1,040,214	 143,637
Capital contributions - local	66,363	27,550	93,913	-
Transfers in	-	-	-	231,300
 Change in net position	 129,395	 1,004,732	 1,134,127	 374,937
Net position - beginning of year	30,125,937	26,489,862	56,615,799	3,580,117
Net position - end of year	\$ 30,255,332	\$ 27,494,594	\$ 57,749,926	\$ 3,955,054

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2021

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
Cash flows from operating activities				
Receipts from customers	\$ 6,179,110	\$ 6,827,208	\$ 13,006,318	\$ -
Receipts from interfund users	-	-	-	1,151,320
Payments to suppliers	(4,552,305)	(2,980,621)	(7,532,926)	(477,996)
Payments to employees	(1,099,897)	(740,225)	(1,840,122)	(206,349)
Other receipts	44,840	316	45,156	-
Net cash provided by operating activities	<u>571,748</u>	<u>3,106,678</u>	<u>3,678,426</u>	<u>466,975</u>
Cash flows from noncapital financing activities				
Transfer from other funds	-	-	-	231,300
Cash flows from capital and related financing activities				
Purchases/construction of capital assets	(153,513)	(173,896)	(327,409)	(803,408)
Principal and interest paid on long-term debt	-	(510,372)	(510,372)	-
Proceeds from sale of capital assets	-	-	-	153,641
Net cash used by capital and related financing activities	<u>(153,513)</u>	<u>(684,268)</u>	<u>(837,781)</u>	<u>(649,767)</u>
Cash flows from investing activities				
Purchases of investments	(1,938,560)	-	(1,938,560)	-
Interest received	38,527	7,172	45,699	2,896
Net cash provided (used) by investing activities	<u>(1,900,033)</u>	<u>7,172</u>	<u>(1,892,861)</u>	<u>2,896</u>
Change in cash and cash equivalents	(1,481,798)	2,429,582	947,784	51,404
Cash and cash equivalents - beginning of year	<u>4,192,482</u>	<u>4,126,032</u>	<u>8,318,514</u>	<u>1,841,789</u>
Cash and cash equivalents - end of year	<u>\$ 2,710,684</u>	<u>\$ 6,555,614</u>	<u>\$ 9,266,298</u>	<u>\$ 1,893,193</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2021

	Enterprise Funds			Internal Service Fund
	Water	Sewer	Total	Motor Pool
Reconciliation of operating income (loss) to net cash provided by operating activities				
Operating income (loss)	\$ (347,449)	\$ 1,541,692	\$ 1,194,243	\$ (12,900)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation and amortization expense	750,490	1,251,674	2,002,164	489,714
Changes in assets and liabilities				
Receivables (net)	9,661	(15,196)	(5,535)	-
Due from other funds	14,335	3,512	17,847	-
Inventories	(98,906)	-	(98,906)	-
Prepaid items	298	274,632	274,930	(406)
Deferred outflows of resources	(34,027)	(13,370)	(47,397)	(6,094)
Accounts payable	273,458	(102,255)	171,203	(6,753)
Accrued and other liabilities	-	-	-	1,889
Due to other funds	1,442	155	1,597	712
Performance bonds and other deposits payable	-	192,726	192,726	-
Deferred inflows of resources	30,659	18,293	48,952	6,223
Net pension liability	(17,089)	(42,470)	(59,559)	(7,253)
Compensated absences	(11,124)	(2,715)	(13,839)	1,843
Net cash provided by operating activities	<u>\$ 571,748</u>	<u>\$ 3,106,678</u>	<u>\$ 3,678,426</u>	<u>\$ 466,975</u>
Noncash Capital Financing Activities				
Capital assets acquired through contributions from taxpayers	<u>\$ 66,363</u>	<u>\$ 27,550</u>	<u>\$ 93,913</u>	<u>\$ -</u>
Capital assets acquired with long-term debt	<u>\$ -</u>	<u>\$ 1,240,895</u>	<u>\$ 1,240,895</u>	<u>\$ -</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Fiduciary Funds
Statement of Fiduciary Net Position
December 31, 2021

	Pension and Other Employee Benefit Trust Funds	Custodial Fund Tax Collection Fund
Assets		
Cash and cash equivalents	\$ 81,006	\$ 12,895,958
Investments		
Exchange traded funds	1,167,319	-
Mutual funds	11,771,504	-
Receivables		
Accrued interest	3,122	-
Total assets	13,022,951	12,895,958
Liabilities		
Accounts payable	-	3,556
Due to other units of government	-	12,892,402
Total liabilities	-	12,895,958
Net Position		
Restricted		
Pension benefits	5,427,354	-
Other postemployment benefits	7,595,597	-
Total net position	\$ 13,022,951	\$ -

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2021

	Pension and Other Employee Benefit Trust Funds	Custodial Fund Tax Collection Fund
Additions		
Contributions		
Employer	\$ 319,127	\$ -
Investment earnings		
Interest and dividends	794,532	-
Change in fair value	426,800	-
Investment expenses	(35,446)	-
Net investment income	1,185,886	-
Property tax collections for other governments	-	89,609,628
Total additions	1,505,013	89,609,628
Deductions		
Benefits	565,559	-
Other deductions	61,009	-
Payments of property tax to other governments	-	89,609,628
Total deductions	626,568	89,609,628
Change in net position	878,445	-
Net position - beginning of year	12,144,506	-
Net position - end of year	\$ 13,022,951	\$ -

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Component Units
Statement of Net Position
December 31, 2021

	Downtown Development Authority	Brownfield Redevelopment Authority	Economic Development Corporation	Total
Assets				
Cash and cash equivalents	\$ 66,666	\$ 46,966	\$ 48,479	\$ 162,111
Receivables				
Taxes	<u>28,775</u>	<u>328,372</u>	<u>-</u>	<u>357,147</u>
Total assets	<u>95,441</u>	<u>375,338</u>	<u>48,479</u>	<u>519,258</u>
Deferred Inflows of Resources				
Property taxes levied for subsequent period	<u>28,576</u>	<u>328,372</u>	<u>-</u>	<u>356,948</u>
Net Position				
Unrestricted	<u>\$ 66,865</u>	<u>\$ 46,966</u>	<u>\$ 48,479</u>	<u>\$ 162,310</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Component Units
Statement of Activities
For the Year Ended December 31, 2021

	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Total
	Expenses	Charges for Services	Operating Grants and Contributions	Downtown Development Authority	Brownfield Redevelopment Authority	Economic Development Corporation	
Functions/Programs							
Downtown Development Authority Community and economic development	\$ 520	\$ -	\$ 124,500	\$ 123,980	\$ -	\$ -	\$ 123,980
Brownfield Redevelopment Authority Community and economic development	703,305	-	274,602	-	(428,703)	-	(428,703)
Economic Development Corporation	<u>8,020</u>	<u>10,000</u>	<u>1,000</u>	<u>-</u>	<u>-</u>	<u>2,980</u>	<u>2,980</u>
Total component units	<u>\$ 711,845</u>	<u>\$ 10,000</u>	<u>\$ 400,102</u>	<u>123,980</u>	<u>(428,703)</u>	<u>2,980</u>	<u>(301,743)</u>
General revenues							
Property taxes				26,292	475,669	-	501,961
Investment income				<u>-</u>	<u>-</u>	<u>27</u>	<u>27</u>
Total general revenues				<u>26,292</u>	<u>475,669</u>	<u>27</u>	<u>501,988</u>
Change in net position				150,272	46,966	3,007	200,245
Net position - beginning of year				<u>(83,407)</u>	<u>-</u>	<u>45,472</u>	<u>(37,935)</u>
Net position - end of year				<u>\$ 66,865</u>	<u>\$ 46,966</u>	<u>\$ 48,479</u>	<u>\$ 162,310</u>

See Accompanying Notes to the Financial Statements

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Charter Township of Meridian, Ingham County, Michigan (Township) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies used by the Charter Township of Meridian, Ingham County, Michigan:

Reporting entity

The Charter Township of Meridian, Ingham County, Michigan is governed by an elected seven-member board. The accompanying financial statements present the Township and its component units, entities for which the Township is considered to be financially accountable. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Township (see discussion below for description).

Discretely Presented Component Units – The following component units are reported within the component unit column in the combined financial statements. They are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the Township.

Downtown Development Authority – The Downtown Development Authority (DDA) of Okemos was created to halt property value deterioration and increase property tax valuation where possible in its business district, to eliminate the causes of such deterioration, and to promote economic growth in and surrounding the DDA. The DDA's governing body includes the Township supervisor and members who are appointed by the Township supervisor and approved by the Township board. In addition, the DDA's budget is subject to approval by the Township board. The DDA does not issue separate financial statements.

Brownfield Redevelopment Authority – The Brownfield Redevelopment Authority (BRA) was created to finance environmental cleanup within the boundaries of the Township. The BRA's governing body includes the Township Manager, a member of each of the Planning Commission, Economic Development Corporation, and Environmental Commission, and 3 other members approved by the Township board. It is reported within the component unit column in the government-wide financial statements to emphasize that it is legally separate from the Township. The BRA does not issue separate financial statements.

Economic Development Corporation – The Economic Development Corporation (EDC) was created to provide means and methods for the encouragement and assistance of industrial and commercial enterprises in relocating, purchasing, constructing, improving, or expanding within the Township, so as to provide needed services and facilities of such enterprises to the residents of the Township. The Township board approves the individuals appointed to the EDC's governing body by the Township supervisor and can impose its will. The EDC does not issue separate financial statements.

Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Government activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Township considers revenues to be available if they are

collected within 45 days of the end of the current fiscal period. The following major revenue sources meet the availability criterion: 2020 property taxes, portions of state-shared revenue, and interest associated with the current fiscal period. Conversely, 2021 property taxes, portions of state-shared revenue, certain grants and contracts, and special assessments do not meet the availability criterion because they were not received within the 45 day period of availability or they are levied to support the following year's operations. Receivables have been recorded for these, along with deferred inflows of resources.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, expenditures relating to compensated absences, and claims and judgments are recorded only when payment is due.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary and internal service fund's principal ongoing operations. The principal operating revenues of the Townships proprietary funds relates to charges to customers for sales and services. The Township also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for proprietary and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Fund Accounting

The Township accounts for its various activities in several different funds, in order to demonstrate accountability for how we have spent certain resources - separate funds allow us to show the particular expenditures for which specific revenues were used. The various funds are aggregated into three broad fund types:

Governmental funds include all activities that provide general governmental services that are not business-type activities. This includes the General Fund, special revenue funds, debt service funds, and capital project funds. The Township reports the following funds as “major” governmental funds:

General Fund – The General Fund contains the records of the ordinary activities of the Township that are not accounted for in another fund. General Fund activities are financed by revenue from general property taxes, state-shared revenue, and other sources.

Local Roads Fund – The Local Roads Fund is used to account for tax revenue that supports local road maintenance.

Land Preservation Funds – The Land Preservation funds are used to account for tax revenue which will be used to purchase land and/or an interest in land for the permanent preservation of open green spaces and natural features throughout the Township.

Road Debt Service Fund – This fund is used to account for tax revenue and debt service related to the 2019 bond issuance for road improvements.

Proprietary funds include enterprise funds, (which provide goods or services to users in exchange for charges or fees) and the internal service fund (which provide goods or services to other funds of the Township).

The Township reports the following funds as “major” enterprise funds:

Water Fund – The Water Fund is used to account for the provision of water services to the residents of the Township. Activities of the fund include administration, operating, maintenance, and billing and collection activities.

Sewer Fund – The Sewer Fund is used to account for the provision of sewer services to the residents of the Township. Activities of the fund include administration, operating, maintenance, and billing and collection activities.

The Township reports the following fund as an internal service fund:

Motor Pool Fund – The Motor Pool Fund accounts for the financing of goods or services provided by one department or agency to other departments or agencies of the Township, or to other governments, primarily on a cost-reimbursement basis.

Fiduciary funds include amounts held in a fiduciary capacity for others. These amounts will not be used to operate our Township’s programs. Activities that are reported as fiduciary include:

Pension and Other Employee Benefit Trust Funds – The Pension Trust Fund accounts for the assets of the Township employees’ pension plan. The Employer Funded Retiree Health Insurance Fund accounts for the assets and expenses of the Township retirees’ other postemployment benefits (OPEB).

Custodial Fund – The Custodial Fund includes the Tax Collection Fund which accounts for property tax and other deposits collected on behalf of other units and individuals.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Township's water and sewer function and various other functions of the Township. Eliminations of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Property Tax Revenue

Property taxes are assessed as of December 31. The related property taxes are billed and become a lien on December 1 of the following year and are due on February 14 with the final collection date of February 28 before they are added to the county tax rolls.

Property taxes billed during the month of December will be used to finance the following year's operations. As such, these taxes are recorded as deferred inflows in each respective fund as of December 31. The 2020 taxable valuation of the Township totaled approximately \$1.87 billion, on which ad valorem taxes consisted of the following mills, and resulted in the following revenue, exclusive of any Michigan Tax Tribunal or Board of Review adjustments.

Purpose	Mills Levied	Ad Valorem Taxes Levied Raised (in millions)
Township operating	4.1578	\$ 7.78
Streets debt	1.9429	3.64
Police protection	0.6016	1.12
Fire protection	0.6339	1.19
Police and fire protection	1.4771	2.76
Community services	0.1483	0.28
Bike path	0.3308	0.62
CATA Redi Ride	0.1978	0.37
Park & recreation	0.6597	1.23
Land preservation	0.1000	0.19
Fire station debt	0.2000	0.37

Assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position or equity

Cash and cash equivalents – Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

Investments – Investments are stated at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. Independent appraisals are obtained to determine the fair value of real estate assets. Pooled investment income is generally allocated to each fund using a weighted average balance for the principal.

Receivables and payables – In general, outstanding balances between funds are reported as “due to/from other funds.” Activity between funds that is representative of a lending/borrowing arrangement outstanding at the end of the fiscal year is referred to as “advances to/from other funds.” Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances.” All trade and property tax receivables are shown net of an allowance for uncollectible amounts of \$29,000.

Inventories and prepaid items – Inventories are valued at cost, on a first-in, first-out basis. Inventories of governmental funds are recorded as expenditures when purchased rather than when consumed. Certain payments to vendors reflect costs applicable to future fiscal years. For such payments in governmental funds the Township follows the consumption method, and they therefore are capitalized as prepaid items in both government-wide and fund financial statements.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Capital assets – Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets (e.g. bike paths and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the Township as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation, unless received in a service concession arrangement which would require acquisition value to be used rather than fair value.

Capital assets are depreciated using the straight-line method over the following useful lives:

Water and sewer mains	15 to 50 years
Drainage flow rights	50 years
Buildings, additions and improvements	10 to 40 years
Vehicles	5 to 10 years
Furniture and equipment	5 to 10 years
Machinery and equipment	5 to 10 years
Other tools and equipment	5 to 20 years
Roads and improvements	5 to 20 years

Deferred outflows of resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The Township has deferred outflows of resources related to the defined benefit pension and OPEB plans, made up of employer contributions made subsequent to the measurement date, the variance between the plan’s actual investment earnings compared to the plan’s assumed investment earnings, changes in assumptions, and experience differences.

Compensated absences (vacation and sick leave) – It is the Township’s policy to permit employees to accumulate earned but unused sick and vacation pay benefits. The government-wide and proprietary fund statements accrue all vacation and personal pay as it is earned, and sick pay as it is used or vested (whichever is earlier). A liability for these amounts is reported in governmental funds as it comes due for payment (when the time is taken off or the employee is terminated).

Long-term obligations – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pension – The Township offers a defined benefit pension plan to its employees. The Township receives an actuarial valuation to compute the annual required contribution (ARC) necessary to fund the obligation over the remaining amortization period. In the governmental funds, pension costs are recognized as contributions are made. For the government-wide statements and proprietary funds, the Township records a net pension liability for the difference between the total pension liability calculated by the actuary and the pension plan’s fiduciary net position. For the purpose of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

related to pensions, and pension expense, information about the fiduciary net position of the Township's pension plan and additions to/deductions from the pension plan's fiduciary net position have been determined on the same basis as they are reported by the pension plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General Fund, Sewer Fund, Water Fund and Motor Pool Fund are primarily responsible for liquidating the pension liability.

Other Postemployment Benefit (OPEB) Costs – For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost. The General Fund is primarily responsible for liquidating the OPEB liability.

Deferred inflows of resources – In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Township has several types of items that qualify for reporting in this category. The governmental funds report unavailable revenues, which arise only under the modified accrual basis of accounting, from receivables related to special assessments, state-shared revenue, and certain other revenue. These amounts are deferred and recognized as an inflow of resources in the period that

the amounts become available. Deferred inflows of resources are reported in the government-wide and governmental fund financial statements for property taxes and special assessments levied during the year that were intended to finance future periods. The Township has deferred inflows of resources related to the defined benefit pension and OPEB plans, consisting of the variance between the plan's actual investment earnings compared to the plan's assumed investment earnings and differences between projected and actual experience, changes in assumptions and experience differences. The component units also report deferred inflows of resources for property taxes levied for a subsequent period.

Fund Balance – In the fund financial statements, governmental funds report fund balance in the following categories:

Nonspendable – Amounts that are not in spendable form or are legally or contractually required to be maintained intact.

Restricted – Amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose.

Committed – Amounts that have been formally set aside by the Township board for use for specific purposes. Commitments are made and can be rescinded only via resolution of the Township Board.

Assigned – Intent to spend resources on specific purposes expressed by the governing body or the Township Manager, who is authorized by resolution approved by the governing body to make assignments.

Unassigned – Amounts that do not fall into any other category above. This is the residual classification for amounts in the General Fund and represents fund balance that has not been assigned to other funds and has not been restricted, committed, or

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

assigned to specific purposes in the General Fund. In other governmental funds, only negative unassigned amounts are reported, if any, and represent expenditures incurred for specific purposes exceeding the amounts previously restricted, committed, or assigned to those purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Township's policy is to consider restricted funds spent first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned amounts could be used, the Township's policy is to consider the funds to be spent in the following order: (1) committed, (2) assigned, (3) unassigned.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities, deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Adoption of New Accounting Standards

Statement No. 98, *The Annual Comprehensive Financial Report* establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness.

Upcoming Accounting and Reporting Changes

Statement No. 87, *Leases* increases the usefulness of the Township's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. A lessee will be required to recognize a lease liability and an intangible right-to-use a lease asset, and a lessor will be required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the Township's leasing activities. The requirements of this Statement are effective for the fiscal year ending December 31, 2022.

Statement No. 96, *Subscription-Based Information Technology Arrangements*, is based on the standards established in Statement No. 87 *Leases*. This statement (1) defines a SBITA as a contract that conveys control of the right to use a SBITA vendor's IT software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction (2) requires governments with SBITAs to recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability, and (3) provides guidance related to outlays other than subscription payments, including implementation costs, and requirements for note disclosures related to a SBITA. This statement is effective for the year ending December 31, 2023.

The Township is evaluating the impact that the above GASB statements will have on its financial reporting. The Township does not believe other GASB statements that have been issued, but not yet implemented will have a significant impact on the Township's financial reporting.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 2 - Stewardship, Compliance, and Accountability

State Construction Code Act

The Township oversees building construction, in accordance with the State's Construction Code Act, including inspection of building construction and renovation to ensure compliance with the building codes. The Township charges fees for these services. The law requires that collection of these fees be used only for construction code costs, including an allocation of estimated overhead costs. A summary of the current year activity and the cumulative surplus or shortfall generated since January 1, 2000 is as follows:

Current year permit revenue	\$		1,117,878
Related expenses:			
Direct costs	\$	543,065	
Estimated indirect costs		106,300	649,365
Current year surplus			468,513
Cumulative shortfall - beginning of year			(6,757,343)
Cumulative shortfall - end of year			<u><u>\$ (6,288,830)</u></u>

Note 3 - Deposits and Investments

At year end the Township's deposits and investments were reported in the financial statements in the following categories:

	Cash and Cash Equivalents	Investments	Total
Governmental activities	\$ 38,409,677	\$ 6,429,378	\$ 44,839,055
Business-type activities	9,266,298	1,938,560	11,204,858
Total	47,675,975	8,367,938	56,043,913
Fiduciary funds	12,976,964	12,938,823	25,915,787
Component units	162,111	-	162,111
Total	<u><u>\$ 60,815,050</u></u>	<u><u>\$ 21,306,761</u></u>	<u><u>\$ 82,121,811</u></u>

The breakdown between deposits and investments is as follows:

	Primary Government	Fiduciary Funds	Component Unit	Total
Bank deposits (checking and savings accounts, money markets and certificates of deposit)	\$ 38,377,052	\$ 9,895,891	\$ 162,111	\$ 48,435,054
Investments in securities, mutual funds and similar vehicles	17,665,361	16,019,896	-	33,685,257
Petty cash and cash on hand	1,500	-	-	1,500
	<u><u>\$ 56,043,913</u></u>	<u><u>\$ 25,915,787</u></u>	<u><u>\$ 162,111</u></u>	<u><u>\$ 82,121,811</u></u>

Michigan Compiled Laws Section 129.91 (Public Act 20 of 1943, as amended) authorizes local governmental units to make deposits and invest in the accounts of federally insured banks, credit unions, and savings and loan associations that have offices in Michigan. A local unit is allowed to invest in bonds, securities, and other direct obligations of the United States or any agency or instrumentality of the United States; repurchase agreements; banker's acceptances of United States banks; commercial paper rated within the two highest classifications, which matures not more than 270 days after the date of purchase; obligations of the State of Michigan or its political subdivisions, which are rated as investment grade; and mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan. To the extent that cash from various funds has been pooled in an investment, related investment income is allocated to each fund based on relative participation in the pool, except that the agency fund's investment earnings are allocated to the General Fund.

The Township has designated several banks for the deposit of its funds. The investment policy adopted by the Township board in accordance with Public Act 196 of 1997 has authorized investments as allowed under state statutory authority as listed above.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

The Township's investments include the Cooperative Liquid Assets Securities System – Michigan (CLASS), which is a Michigan public sector joint investment program that is subject to oversight by the program's board of trustees. The Township's investment in this pool is recorded at cost, which approximates fair value.

The Township's cash and investments are subject to several types of risk, which are examined in more detail as follows:

Custodial credit risk – deposits – Custodial credit risk is the risk that in the event of a bank failure, the Township's deposits may not be returned to it. The Township does not have a deposit policy for custodial credit risk. At year-end, the Township's bank balance was \$54,297,989 and \$53,791,859 of that amount was exposed to custodial credit risk because it was uninsured and uncollateralized. All bank deposits of the component units were insured and collateralized by federal depository insurance at year end. The Township believes that due to the dollar amounts of cash deposits and the limits of FDIC insurance, it is impractical to insure all deposits. As a result, the Township evaluates each financial institution with which it deposits funds and assesses the level of risk of each institution; only those institutions with an acceptable estimated risk level are used as depositories.

Interest rate risk – Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Township's investment policy does restrict certain investment maturities, other than commercial paper which can only be purchased with a maximum 270-day maturity.

At year end, the average maturities of investments are as follows:

Investment	Fair Value	Less than One Year	1 to 5 Years	6 to 10 Years	More than 10 Years
Primary Government					
U.S. agency securities	\$ 5,362,025	\$ -	\$ 5,362,025	\$ -	\$ -
Money market mutual funds	81,006	81,006	-	-	-
Government investment pool	12,297,490	12,297,490	-	-	-
	<u>\$ 17,740,521</u>				

Credit risk – State law limits investments in commercial paper to the top two ratings issued by nationally recognized statistical rating organizations. The Township has no investment policy that would further limit its investment choices. As of year end, the credit quality ratings of debt securities (other than U.S. government) are as follows:

Investment	Carrying Value	Rating	Rating Organization
Primary Government			
U.S. agency securities	\$ 5,362,025	Aaa	Moody's
Money market mutual funds	81,006	AAAm	S&P
Government investment pool	12,297,490	AAAm	S&P
	<u>\$ 17,740,521</u>		

Concentration of credit risk:

Government-wide

It is the policy of the Township to invest its funds in a manner which will ensure the preservation of principal and provide the highest investment return with the maximum security while meeting the daily cash flow needs of the Township and complying with all state statutes governing the investment of public funds.

More than 5% of the Township's government-wide investments are in:

Federal National Mortgage Association (FNMA)	\$5,362,025
--	-------------

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Pension and Similar Trust Funds

Pension and similar trust funds are authorized by Michigan Public Act 314 of 1965, as amended, to invest in certain reverse repurchase agreements, stocks, diversified investment companies, annuity investment contracts, real estate leased to public entities, mortgages, debt or equity of certain small businesses, certain state and local government obligations, and certain other specified investment vehicles.

More than 5% of the Township's pension and similar trust funds' investments are in:

Pension Investments

Western Asset Intermediate Bond Fund	\$ 1,473,485
Federated Hermes International Equity Fund	680,940
Fidelity 500 Index Fund	1,590,634

OPEB Investments

Mission Square II Model Portfolio Conservative Fund	7,595,597
---	-----------

Note 4 - Fair Value Measurements

The Township categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Township's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

Debt securities are valued by the Township's investment custodian using independent pricing services based on the type of asset. The pricing services may use valuation models or matrix pricing, which consider: (a) benchmark yields, (b) reported trades, (c) broker/dealer quotes, (d) benchmark securities, (e) bids or offers, and (f) reference data. The Township's level 2 investments as noted in the table below are valued using significant other observable inputs of the underlying securities.

The Township has the following recurring fair value measurements as of year end:

Investment	Balance at December 31, 2021	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Primary Government				
U.S. agency securities				
Residential mortgage backed securities	\$ 5,362,025	\$ -	\$ 5,362,025	\$ -
Certificates of deposit	3,005,846	3,005,846	-	-
	<u>8,367,871</u>	<u>3,005,846</u>	<u>5,362,025</u>	<u>-</u>
Fiduciary Funds				
Exchange traded funds	1,167,319	1,167,319	-	-
Money market funds	81,006	81,006	-	-
Mutual funds	4,175,907	4,175,907	-	-
	<u>5,424,232</u>	<u>5,424,232</u>	<u>-</u>	<u>-</u>
	13,792,103	<u>\$ 8,430,078</u>	<u>\$ 5,362,025</u>	<u>\$ -</u>
Investments carried at net asset value				
Michigan CLASS government investment pool	12,297,557			
MissionSquare II Model Portfolio Conservative Fund	7,595,597			
	<u>\$ 33,685,257</u>			
Total investments	<u>\$ 33,685,257</u>			

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Investments in Entities that Calculate Net Asset Value per Share

The Township holds shares or interests in investment companies whereby the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

The net asset value of the Township's investment in Michigan CLASS was \$12,297,557. The investment pool had no unfunded commitments, specific redemption frequency or redemption notice period required. The Michigan CLASS investment pool invests in U.S. treasury obligations, federal agency obligations of the U.S. government, high-grade commercial paper (rated 'A-1' or better) collateralized bank deposits, repurchase agreements (collateralized at 102% by Treasuries and agencies), and approved money-market funds. The program seeks to provide safety, liquidity, convenience, and competitive rates of return, and is designed to meet the needs of Michigan public sector investors. It purchases securities that are legally permissible under state statutes and are available for investment by Michigan counties, cities, townships, school districts, authorities and other public agencies. It has a rating of AAA from Standard and Poor's with a weighted average maturity of 54 days.

The net asset value of the Township's investment in the MissionSquare II Model Portfolio Conservative Fund (Fund) was \$7,595,597. There are no unfunded commitments, specific redemption frequencies or redemption notice periods required. The Fund invests in a combination of MissionSquare Funds Class M and third-party ETFs to seek to obtain exposure to approximately 62% fixed income investments, 34% equity investments, and 4% multi-strategy investments. These asset allocations are referred to as "neutral targets" because they do not reflect decisions that may be made by MissionSquare Investments (MSQI), the investment advisor to the Fund, to overweight or underweight a particular asset class based on market or operational factors. The neutral targets also do not reflect performance differences between the Fund's asset class

allocations that will cause temporary deviations from the neutral targets. The actual asset class allocation of the Fund may vary by as much as +/-10 percentage points for the fixed income and equity investments as a result of MSQI's allocation decisions, performance differences between asset classes of the Fund, or some combination thereof, although the multi-strategy investments will generally not exceed 7 percentage points of the Fund's total assets.

Note 5 - Receivables

The only receivables not expected to be collected within one year are as follows:

	Due After One Year	Fund
Primary government		
Special assessments	\$ 80,000	Nonmajor governmental funds

Note 6 - Unearned Revenue

Unearned revenue is reported in connection with resources that have been received but not yet earned. At the end of the current fiscal year, unearned revenue is as follows:

Primary government	
Grants	\$ 2,260,632
Charges for services	78,035
	\$ 2,338,667

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 7 - Capital Assets

Capital assets activity of the primary government for the current year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land and land improvements	\$ 34,735,192	\$ 1,450,891	\$ -	\$ 36,186,083
Construction in progress	665,076	116,458	665,076	116,458
Total capital assets not being depreciated	35,400,268	1,567,349	665,076	36,302,541
Capital assets being depreciated				
Local roads	11,614,037	2,984,076	-	14,598,113
Buildings, additions and improvements	17,957,895	910,238	-	18,868,133
Furniture and equipment	1,653,807	111,650	132,377	1,633,080
Drainage flow rights	4,992,489	3,120,000	-	8,112,489
Total capital assets being depreciated	36,218,228	7,125,964	132,377	43,211,815
Less accumulated depreciation for				
Local roads	6,761,058	1,546,116	-	8,307,174
Buildings, additions and improvements	6,658,009	745,699	-	7,403,708
Furniture and equipment	1,054,169	165,365	132,377	1,087,157
Drainage flow rights	1,318,406	131,658	-	1,450,064
Total accumulated depreciation	15,791,642	2,588,838	132,377	18,248,103
Net capital assets being depreciated	20,426,586	4,537,126	-	24,963,712
Capital assets, net	\$ 55,826,854	\$ 6,104,475	\$ 665,076	\$ 61,266,253
Internal Service Fund:				
Capital assets being depreciated				
Machinery and equipment	\$ 312,190	\$ 7,960	\$ -	\$ 320,150
Vehicles	5,549,499	795,448	388,827	5,956,120
Total capital assets being depreciated	5,861,689	803,408	388,827	6,276,270
Less accumulated depreciation for				
Machinery and equipment	238,199	16,939	-	255,138
Vehicles	3,791,904	472,775	388,827	3,875,852
Total accumulated depreciation	4,030,103	489,714	388,827	4,130,990
Net capital assets being depreciated	1,831,586	313,694	-	2,145,280
Capital assets, net	\$ 1,831,586	\$ 313,694	\$ -	\$ 2,145,280
Governmental capital assets not being depreciated	\$ 35,400,268	\$ 1,567,349	\$ 665,076	\$ 36,302,541
Net governmental capital assets being depreciated	22,258,172	4,850,820	-	27,108,992
Net governmental activities capital assets	\$ 57,658,440	\$ 6,418,169	\$ 665,076	\$ 63,411,533

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	\$ 363,060	\$ -	\$ -	\$ 363,060
Construction in progress	6,443	-	6,443	-
Total capital assets not being depreciated	369,503	-	6,443	363,060
Capital assets being depreciated				
Buildings and improvements	3,356,737	-	-	3,356,737
Other tools and equipment	3,892,492	163,406	58,716	3,997,182
Water and sewer mains	72,591,717	264,356	-	72,856,073
Participation in East Lansing Sewage System	30,257,611	1,240,898	2,143,328	29,355,181
Total capital assets being depreciated	110,098,557	1,668,660	2,202,044	109,565,173
Less accumulated depreciation for				
Buildings and improvements	3,266,283	9,191	-	3,275,474
Other tools and equipment	2,938,345	113,197	58,716	2,992,826
Water and sewer mains	35,139,497	1,305,082	-	36,444,579
Participation in East Lansing Sewage System	1,834,755	574,694	-	2,409,449
Total accumulated depreciation	43,178,880	2,002,164	58,716	45,122,328
Net capital assets being depreciated	66,919,677	(333,504)	2,143,328	64,442,845
Business-type capital assets, net	\$ 67,289,180	\$ (333,504)	\$ 2,149,771	\$ 64,805,905

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Depreciation expense was charged to programs of the Township as follows:

Governmental activities	
General government	\$ 394,289
Public safety	284,310
Public works	1,677,774
Health and welfare	15,852
Recreation and culture	<u>216,613</u>
	2,588,838
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>489,714</u>
Total governmental activities	<u>\$ 3,078,552</u>
Business-type activities	
Water	750,490
Sewer	<u>1,251,674</u>
Total business-type activities	<u>2,002,164</u>
Total primary government	<u>\$ 5,080,716</u>

Construction Commitments

The Township entered into a contract for roadway improvements of \$2,650,642. As of December 31, 2021, \$314,650 remained outstanding on the contract.

Note 8 - Interfund Receivables, Payables, and Transfers

The composition of interfund balances is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Due from/to other funds		
General fund	Land preservation fund	\$ 325
General fund	Nonmajor governmental funds	1,937
General fund	Internal service fund	1,256
General fund	Sewer fund	530
General fund	Water fund	1,680
Sewer fund	Nonmajor governmental funds	3,513
Water fund	Nonmajor governmental funds	<u>14,335</u>
		<u>\$ 23,576</u>

The outstanding balances between funds result mainly from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

The details for interfund transfers are as follows:

<u>Funds Transferred From</u>	<u>Funds Transferred To</u>	<u>Amount</u>
General fund	Local roads fund (1)	\$ 280,000
General fund	Internal service fund (2)	231,300
Nonmajor governmental funds	General fund (3)	<u>50,000</u>
		<u>\$ 561,300</u>

- (1) To support local roads.
- (2) To support purchase of public safety vehicles.
- (3) To provide additional funding to the Parks fund.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 9 - Long-Term Debt

The Township issues bonds to provide for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Township. Compensated absences are typically satisfied by the general fund, internal service fund, water fund and sewer fund.

	Amount of Issue	Maturity Date	Interest Rate Ranges	Principal Maturity Ranges	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities									
Bonds and notes payable									
General obligation bonds									
Fire Station Construction Bond	\$ 3,500,000	2028	2.00% - 2.80%	\$230,000 - \$270,000	\$ 1,985,000	\$ -	\$ 230,000	\$ 1,755,000	\$ 235,000
Road Construction Bond	11,100,000	2023	5.00%	\$1,525,000 - \$3,360,000	8,050,000	-	3,165,000	4,885,000	3,360,000
Special assessment obligations									
Towar Gardens	3,485,000	2026	4.98%	\$187,320	1,123,920	-	187,320	936,600	187,320
Towar Snell	965,000	2026	5.40%	\$25,125	150,750	-	25,125	125,625	25,125
Briarwood	211,500	2026	5.33%	\$10,575	63,450	-	10,575	52,875	10,575
Kinawa	190,000	2032	4.19%	\$10,000	120,000	-	10,000	110,000	10,000
Ember Oaks	35,800	2033	5.25%	\$1,790	23,270	-	1,790	21,480	1,790
Smith Consolidated	111,953	2036	3.22%	\$5,592-\$5,598	89,562	-	5,598	83,964	5,598
Nemoka	3,120,000	2040	2.49%	\$156,000	-	3,120,000	156,000	2,964,000	156,000
Total					11,605,952	3,120,000	3,791,408	10,934,544	3,991,408
Less deferred amounts									
For issuance premiums					660,361	-	220,121	440,240	-
Total					12,266,313	3,120,000	4,011,529	11,374,784	3,991,408
Compensated absences									
Internal service fund obligations					839,694	600,888	621,441	819,141	147,607
Compensated absences					6,765	11,893	8,161	10,497	1,889
Total governmental activities					<u>\$ 13,112,772</u>	<u>\$ 3,732,781</u>	<u>\$ 4,641,131</u>	<u>\$ 12,204,422</u>	<u>\$ 4,140,904</u>
Business-type activities									
Bonds and notes payable									
Other governmental obligations									
2013 SRF Wastewater Optimization Bonds	\$ 681,738	2033	2.00%	\$32,994-\$41,410	\$ 472,776	\$ -	\$ -	\$ 472,776	\$ 64,766
2015 SRF Wastewater Optimization Bonds	4,999,500	2036	2.50%	\$221,645-\$313,297	4,187,912	-	216,645	3,971,267	221,645
2017 SRF Wastewater Optimization Bonds	5,632,185	2038	2.50%	\$225,474-\$590,036	8,274,240	228,089	-	8,502,329	800,881
2019 SRF Wastewater Optimization Bonds	4,837,994	2040	2.00%	\$542,345-\$791,600	13,849,233	917,657	2,143,324	12,623,566	1,136,975
2021 SRF Wastewater Optimization Bonds	2,440,234	2023	1.88%	\$95,149	-	95,149	-	95,149	-
Total					26,784,161	1,240,895	2,359,969	25,665,087	2,224,267
Compensated absences									
Water Fund					59,691	-	11,124	48,567	8,742
Sewer Fund					40,502	56,787	59,502	37,787	6,802
Total business-type activities					<u>\$ 26,884,354</u>	<u>\$ 1,297,682</u>	<u>\$ 2,430,595</u>	<u>\$ 25,751,441</u>	<u>\$ 2,239,811</u>

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Annual debt service requirements to maturity for the above obligations are as follows:

Year Ending December 31,	Governmental Activities	
	Bonds	
	Principal	Interest
2022	\$ 3,991,408	\$ 405,203
2023	2,161,408	220,036
2024	641,408	126,214
2025	646,408	108,160
2026	651,408	89,549
2027 - 2031	1,396,940	265,862
2032 - 2036	821,564	139,362
2037 - 2040	624,000	38,844
	<u>\$ 10,934,544</u>	<u>\$ 1,393,230</u>

Year Ending December 31,	Business-type Activities	
	Bonds	
	Principal	Interest
2022	\$ 2,224,267	\$ 1,186,210
2023	1,355,693	1,125,790
2024	1,292,307	1,063,874
2025	1,322,404	1,003,329
2026	1,351,310	941,429
2027 - 2031	7,228,005	3,711,883
2032 - 2036	7,965,243	1,975,844
2037 - 2040	2,925,858	314,598
	<u>\$ 25,665,087</u>	<u>\$ 11,322,957</u>

Other Debt

From time to time, the Economic Development Corporation issues limited Obligation Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of commercial facilities deemed to be in the public interest. The bonds are secured by the property financed. The resulting debt of the developers is serviced directly by the financial institution. Neither the Township nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2021, there were three series of Limited Obligation Revenue Bonds outstanding, with an aggregate principal amount payable of \$6,740,000.

Note 10 - Net Investment in Capital Assets

The composition of net investment in capital assets as of December 31, 2021, was as follows:

	Governmental Activities	Business-type Activities
Capital assets		
Capital assets not being depreciated	\$ 36,302,541	\$ 363,060
Capital assets, net of accumulated depreciation	<u>27,108,992</u>	<u>64,442,845</u>
Total capital assets	<u>63,411,533</u>	<u>64,805,905</u>
Unspent bond proceeds	<u>3,051,133</u>	<u>-</u>
Related debt		
General obligation bonds	10,934,544	25,665,087
Unamortized bond premiums	<u>440,240</u>	<u>-</u>
Total related debt	<u>11,374,784</u>	<u>25,665,087</u>
Net investment in capital assets	<u>\$ 55,087,882</u>	<u>\$ 39,140,818</u>

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 11 - Risk Management

The Township is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Township has purchased commercial insurance for medical benefit claims and for claims relating to property loss, torts, and errors and omissions. The Township participates in the Michigan Municipal Workers' Compensation Fund (risk pool) for claims relating to employee injuries (workers' compensation). Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

The Michigan Municipal League risk pool program operates as a common risk-sharing management program for local units of government in Michigan; member premiums are used to purchase commercial excess insurance coverage and to pay member claims in excess of deductible amounts.

Note 12 - Employee Retirement Systems

Charter Township of Meridian Employees' Retirement System

Plan Administration – The Charter Township of Meridian Pension Board is the administrator of the Meridian Township Employees' Pension Plan (Plan), a single-employer defined benefit pension plan that provides pensions to all full-time employees of the Township, excluding those included in the Municipal Employees' Retirement System of Michigan and defined contribution plan. This Plan is closed to new employees. Benefit terms have been established by contractual agreements between the Township and the various employee union representation; amendments are subject to the same process.

Management of the Plan is vested with the Pension Board, which consists of five members – the Township Treasurer, an employee representative, and three residents appointed by the Township Supervisor.

This is a single employer defined benefit plan administered by the Township. The plan does not issue a separate stand-alone financial statement.

Benefits Provided – The Plan provides retirement, disability, and death benefits to plan members and their beneficiaries. Postretirement cost of living adjustments are not provided. Retirement benefits for general plan members are calculated as a percent of the member's final average compensation based on the highest five consecutive years out of the last ten years of service. The percentages used for the various groups are as follows:

- 1) Basic Benefit – A participant eligible for a normal retirement benefit shall be entitled to a monthly ten year certain and life pension equal to the greater of the amount listed below or his or her accrued benefit as of December 31, 1988:
 - a. Non-Represented Employees – 1.0% of final average compensation not in excess of \$1,725, plus 1.4% of final average compensation in excess of \$1,725, multiplied by years of benefit credited service.
 - b. Professional Supervisory and Non-Supervisory Union Employees – Effective January 1, 1988, 1.11% of final average compensation multiplied by years of benefit credited service.
 - c. Firefighters Union Employees – Effective January 1, 1988, 1.5% of final average compensation multiplied by years of benefit credited service. Effective October 14, 1991, 1.6% of final average compensation multiplied by years of benefit credited service. Effective April 30, 1996, 1.8% of final average compensation multiplied by years of benefit credited service.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

- d. Police Supervisory Union Employees – Effective January 1, 1988, 1.6% of final average compensation multiplied by years of benefit credited service. Effective July 1, 1994, 2.16% of final average compensation multiplied by years of benefit credited service. Effective December 31, 1996, 2.25% of final average compensation multiplied by years of benefit credited service.
 - e. Police Non-Supervisory Union Employees – Effective January 1, 1987, 1.48% of final average compensation multiplied by years of benefit credited service. Effective December 31, 1991, 1.6% of final average compensation multiplied by years of benefit credited service. Effective January 1, 1995, 1.8% of final average compensation multiplied by years of benefit credited service.
 - f. Public Works/Physical Plant Union Employees – 1.25% of final average compensation multiplied by years of benefit credited service.
 - g. Clerical and Secretarial Union Employees – 1.05% of final average compensation multiplied by years of benefit credited service.
 - h. For Any Active Participant Who is an Employee of the Township as of May 1, 2000 – 1.5% of final average compensation multiplied by years of benefit credited service. Effective January 1, 2009, the benefit multiplier of 1.5% shall be increased to 1.8% for a participant who is an active non-union employee hired prior to February 1, 1980.
- 2) Additional Normal Retirement Benefit – Any participant-fireman or participant-policeman who is entitled to a retirement benefit under the Plan shall receive an additional retirement benefit during each month for which retirement benefits are payable which is prior to the month in which such participant attains age 62. This benefit shall not apply to a police supervisory union employee who terminates service on or after July 1, 1994.

The additional normal retirement benefit shall equal the amount such participant would be entitled to commencing at age 62 under Title II of the Social Security Act then in effect, multiplied by a fraction (not greater than one), the numerator of which is equal to such participant's years of benefit credited service earned while a participant-fireman or participant-policeman as of the date of his or her retirement, and the denominator of which is 25. The additional normal retirement benefit shall be payable only during the life of the retired participant, with no continuing benefits payable to such participant's spouse, joint pensioner or other beneficiary following death. In addition, the additional normal retirement benefit shall not be considered in determining the amount of any pre-retirement death benefit payable. Further, the additional normal retirement benefit described herein shall not be subject to any actuarial adjustment.

Benefit Options – In lieu of the benefit forms provided for above, a participant may elect pursuant to a qualified election made during the election period, an actuarially equivalent optional form of benefit. Such actuarially equivalent optional form of benefit may be:

- 1) A monthly benefit payable for the life of the participant with or without a period certain (five years or ten years), as specified by the participant. If a five- or ten-year period certain is specified, the participant shall name one or more designated beneficiaries to receive payments after the participant's death. The participant shall specify shares or priority among designated beneficiaries.
- 2) A monthly benefit payable for life of the participant with a percentage (50, 66 2/3, 75, or 100%) of such monthly benefit, as specified by the participant, continued to the participant's eligible spouse until his or her death and continued to the participant's designated beneficiary after the eligible spouse's death.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Normal Retirement Date – The date on which the participant attains age 65, except that the normal retirement date for participant-firemen and participant-policemen shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 55 and completes 25 years of benefit credited service. Effective April 1, 1996, in the case of a participant fireman who terminates service between April 1, 1996 and April 15, 1996, the age requirement in clause (2) of the preceding sentence shall not apply. Effective April 30, 1996, the normal retirement date for participant-fireman shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 52 and completes 25 years of benefit credited service. Effective as of April 1, 1997, in the case of a participant-fireman who terminates service between April 1, 1997 and May 31, 1997, who, as of April 1, 1997, has attained age 50 and completed 20 or more years of benefit credited service, and the sum of whose age and years of benefit credited service was not less than 75 as of April 1, 1997, such participant's normal retirement date shall be the earlier of (1) the date determined under the preceding three sentences, or (2) the date on which the participant terminates service. Effective January 1, 1991, the normal retirement date for police supervisory union employees shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 52 and completes 25 years of benefit credited service. Effective December 31, 1991, the normal retirement date for police non-supervisory union employees shall be the earlier of (1) the date on which the participant attains age 65, or (2) the date on which the participant attains age 52 and completes 25 years of benefit credited service. Effective August 19, 1997, the normal retirement date for the participant holding the position of public safety director of the employer on July 1, 1997, shall be October 31, 1997. For any active participant employed by the Township on or after May 1, 2000, the normal retirement date shall be the earlier of (1) the date on which participant attains age 65, or (2) the date on which the participant attains age 55 and completes 20 years of benefit credited service.

Effective June 1, 2003, the normal retirement date for the participant-police officer labor council – terminated vested participants, police department non-supervisory – terminated vested participants and fire department – terminated vested participants shall be the earlier of (1) the date on which the terminated vested participant attains age 65, or (2) the date on which the terminated vested participant attains age 52 and completes 25 years of benefit credited service, or (3) the date on which the terminated vested participant attains age 55 and completes 15 years of benefit credited service.

Early Retirement Benefit – The “Early Retirement Date” means the first day of the month following the month in which the participant attains age 55 and completes 15 or more years of benefit credited service. A participant eligible for an early retirement benefit hereunder shall be entitled to a monthly ten year certain and life pension equal to his or her accrued benefit, reduced by 5/9ths of one % for each of the first 60 months and 5/18ths of one % for each additional month that the date on which the participant's early retirement benefit commences precedes his or her normal retirement date.

Death Benefit – Effective January 1, 1985, upon the death of a participant before commencement of benefits under this plan, an early survivor's pension shall be payable to his or her eligible spouse, if any. The amount of the early survivor's pension and the time at which it will commence shall be determined as follows:

- 1) If the participant had met the requirements for immediate commencement of any benefit under the Plan on or prior to his or her date of death, the early survivor's pension shall be the survivor's pension that would have been payable if the participant had retired on the day before his or her death and not elected an optional form of retirement benefit.
- 2) If the participant had not met the requirements for immediate commencement of any benefit under the Plan on or prior to his or her date of death, the early survivor's pension shall be the

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

survivor's pension that would have been payable if the participant had:

- a. separated from service on the date of his or her death;
- b. survived until the earliest date on which he or she could elect to receive retirement benefits under the Plan and retired on said date without electing an optional form of retirement benefit; and
- c. died on the day after his or her deemed early retirement date.

3) The death benefit payable shall commence not earlier than the earliest date on which the participant could have elected to receive retirement benefits under the Plan.

Disability Benefits – A participant eligible for a disability retirement benefit under the plan document shall be entitled to a monthly pension commencing as of the first day of the month coincident with or next following the participant's normal retirement date in an amount equal to what the participant's normal retirement benefit would be if the participant had remained in service until his or her normal retirement date (accruing years of benefit credited service until such normal retirement date) and based on the participant's final average compensation determined as of the date on which the disability is certified.

Plan Membership – As of December 31, 2021, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	42
Inactive plan members entitled to, but not yet receiving benefits	15
Active employees*	—
	57

*The plan is closed to new members.

Contributions – Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year are to be funded during that year. Accordingly, the Township retains an independent actuary to determine the annual contribution, and the Township considers this during the budget process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The Plan does not call for any employee contributions to the Plan. For the year ended December 31, 2021, the Township contributed \$128,800.

Investment Policy – The Plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Board by a majority vote of its members. It is the policy of the Pension Board to pursue an investment strategy that manages risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The Plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The Plan's asset allocation policy is as follows:

Asset Class	Target Allocation
Domestic equity - large cap	40.00%
Domestic equity - small cap	13.00%
International equity	8.00%
Intermediate bonds - fixed income	32.00%
Real estate	4.00%
Cash or cash equivalents	3.00%
	100.00%

Rate of Return – For the year ended December 31, 2021, the annual money-weighted rate of return on Plan investments, net of investment expense, was 11.55%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Reserves – The Plan does not require reserves to be set aside.

Funding Policy – Historically, the Township has made periodic employer contributions at actuarially determined rates; however, this is a closed plan with only one active employee that was over 100% funded in 2008. The Township suspended contributions, so as to not overfund the Plan. The subsequent economic downturn resulted in the Plan dropping to 76% funded at the time of the January 1, 2011 actuarial valuation. Township management made the decision to resume funding the Plan in 2012. The Township once again suspended contributions for 2013. The Plan was funded at 66.9% at the time of the January 1, 2014 actuarial valuation and 65.9% at the time of the January 1, 2013 actuarial valuation. The Township resumed contributions for the years ended December 31, 2014 through 2021. Administrative costs of the Plan are financed through investment earnings.

Net Pension Asset – The components of the net pension asset as of December 31, 2021 were as follows:

Total pension liability - ending	\$ 4,928,517
Plan fiduciary net position - ending	<u>5,427,354</u>
Net pension asset	<u>\$ (498,837)</u>
 Plan fiduciary net position as a percentage of total pension liability	 110.12%

Actuarial Assumptions – The December 31, 2021 total pension liability was determined by an actuarial valuation as of December 31, 2021. The measurement date was December 31, 2021 and all census data provided to the actuary was as of December 31, 2021, therefore no update procedures to roll forward the estimated liability to December 31, 2021 were needed.

The valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	4.50%
Salary increases	4.50%
Investment rate of return	6.00% Net of pension plan investment expenses, including inflation

Mortality rates were based on the fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales. The actuarial assumptions are generally based on past experience, modified for projected changes in conditions.

The long-term expected rate of return on pension plan investments of 6.0% was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic equity - large cap	7.35%
Domestic equity - small cap	8.55%
International equity	8.80%
Intermediate bonds - fixed income	3.00%
Real estate	7.05%
Cash or cash equivalents	0.00%

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Discount Rate – The discount rate used to measure the total pension liability was 6.0%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that Township contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Asset – The components of the change in net pension asset are summarized as follows:

Total Pension Liability	
Service cost	\$ 8,529
Interest on the total pension liability	294,717
Changes in assumptions	(51,802)
Benefit payments and refunds	<u>(461,241)</u>
Net change in total pension liability	(209,797)
Total pension liability - beginning	<u>5,138,314</u>
Total pension liability - ending (a)	<u>\$ 4,928,517</u>
Plan Fiduciary Net Position	
Employer contributions	\$ 128,800
Net investment income	577,376
Benefit payments and refunds	<u>(461,241)</u>
Net change in plan fiduciary net position	244,935
Plan fiduciary net position - beginning	<u>5,182,419</u>
Plan fiduciary net position - ending (b)	<u>\$ 5,427,354</u>
Net pension asset (a-b)	<u>\$ (498,837)</u>
Plan fiduciary net position as a percentage of total pension liability	110.12%
Covered payroll	N/A
Net pension asset as a percentage of covered payroll	N/A

Sensitivity of the Net Pension Asset to Changes in the Discount Rate – The following presents the net pension asset of the Township, calculated using the discount rate of 6.0%, as well as what the Township’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.0%) or 1 percentage point higher (7.0%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension asset	\$ (141,249)	\$ (498,837)	\$ (813,543)

Pension Expense and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2021, the Township recognized pension benefit of \$271,843. As of December 31, 2021, the Township reported deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on plan investments	<u>\$ (573,572)</u>

Amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2022	\$ (150,660)
2023	(247,622)
2024	(120,010)
2025	<u>(55,280)</u>
	<u>\$ (573,572)</u>

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Municipal Employees' Retirement System of Michigan

Plan Description – The Township participates in an agent multiple-employer defined benefit pension plan administered by the Municipal Employees' Retirement System of Michigan (MERS), which covers eligible employees of the Township. MERS was established as a statewide public employee pension plan by the Michigan Legislature under PA 135 of 1945 and is administered by a nine-member retirement board. MERS issues a publicly available financial report which includes the financial statements and required supplemental information of this defined benefit plan. This report can be obtained at www.mersofmichigan.com or in writing to MERS at 1134 Municipal Way, Lansing, Michigan 48917.

Benefits Provided – The Plan provides certain retirement, disability, and death benefits to plan members and beneficiaries. PA 427 of 1984, as amended, established and amends the benefit provisions of the participants in MERS. The MERS plan covers all public works (American Federation of State, County, and Municipal Employees (AFSCME)), police nonsupervisory, clerical unit, police supervisory employees, firefighters, and Teamsters employees of the Township.

<u>01 - DPW</u>	<u>Closed to new hires</u>
Benefit Multiplier	2.25% Multiplier (80% max)
Normal Retirement Age	60
Vesting	6 years
Early Retirement (Unreduced)	55/20
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

<u>02 - Police Patrol</u>	<u>Closed to new hires</u>
Benefit Multiplier	2.75% Multiplier (80% max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	50/25
Early Retirement (Reduced)	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
Employee Contributions	8.29%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

<u>05 - Firefighters</u>	<u>Closed to new hires</u>
Benefit Multiplier	2.75% Multiplier (80% max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	50/25
Early Retirement (Reduced)	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
Employee Contributions	7.76%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

<u>10 - Admin Professional</u>	<u>Closed to new hires</u>
Benefit Multiplier	2.50% Multiplier (80% max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

11 - Teamsters	Open Division
Benefit Multiplier	2.00% Multiplier (no max)
Normal Retirement Age	60
Vesting	6 years
Early Retirement (Unreduced)	55/20
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

12 - Admin Professional on/aft 1/1/17	Open Division
Benefit Multiplier	1.50% Multiplier (no max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

13 - DPW on/aft 1/1/17	Open Division
Benefit Multiplier	1.50% Multiplier (80% max)
Normal Retirement Age	60
Vesting	6 years
Early Retirement (Unreduced)	55/20
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	5 years
Employee Contributions	5.00%
Act 88	Yes (Adopted 7/10/2001)

20 - Police Command	Closed to new hires
Benefit Multiplier	2.75% Multiplier (80% max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	50/25
Early Retirement (Reduced)	55/15
Final Average Compensation	3 years
COLA for Future Retirees	2.50% (Non-Compound)
Employee Contributions	11.24%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

21 - Command/Patrol on/aft 1/1/20	Open Division
Benefit Multiplier	1.75% Multiplier (no max)
Normal Retirement Age	60
Vesting	10 years
Early Retirement (Unreduced)	55/25
Early Retirement (Reduced)	50/25 or 55/15
Final Average Compensation	3 years
Employee Contributions	8.29%
D-2	D-2 (25%)
Act 88	Yes (Adopted 7/10/2001)

Benefit terms, within the parameters established by MERS, are generally established and amended by authority of the Township Board.

Employees Covered by Benefit Terms – As of the December 31, 2020 measurement date, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefits	106
Inactive plan members entitled to, but not yet receiving benefits	84
Active employees	105
	295

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Contributions – Article 9, Section 24 of the State of Michigan constitution requires that financial benefits arising on account of employee service rendered in each year be funded during that year. Accordingly, MERS retains an independent actuary to determine the annual contribution. The employer is required to contribute amounts at least equal to the actuarially determined rate, as established by the MERS retirement board. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The employer may establish contribution rates to be paid by its covered employees. For the year ended December 31, 2021, the employee and employer contribution rates were as follows:

	Percentage of Payroll	
	Employer Contributions	Employee Contributions
01 - DPW	-	5.00%
02 - Police Patrol	28.95%	8.29%
05 - Firefighters	-	7.76%
10 - Admin Professional	-	5.00%
11 - Teamsters	0.00%	5.00%
12 - Admin Prof on/aft 1/1/17	2.43%	5.00%
13 - DPW on/aft 1/1/17	3.19%	5.00%
20 - Police Command	77.29%	11.24%
50 - Fire IAFF on/aft 1/1/17	2.18%	7.76%

Net Pension Liability – The net pension liability reported as of December 31, 2021 was determined using a measure of the total pension liability and the pension net position as of December 31, 2020. The December 31, 2020 total pension liability was determined by an actuarial valuation performed as of that date.

Actuarial Assumptions – The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%	
Salary increases	3.00%	
Investment rate of return	7.35%	Gross of pension plan investment expenses, including inflation

Mortality rates were based on the fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of the most recent actuarial experience study in 2016.

The long-term expected rate of return on pension plan investments was determined using a model in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

The target allocation and best estimates of arithmetic real rates of return as of December 31, 2020, the measurement date, for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Target Allocation Gross Rate of Return	Long-Term Expected Gross Rate of Return	Inflation Assumption	Long-Term Expected Real Rate of Return
Global equity	60.00%	7.75%	4.65%	2.50%	3.15%
Global fixed income	20.00%	3.75%	0.75%	2.50%	0.25%
Private investments	20.00%	9.75%	1.95%	2.50%	1.45%
	<u>100.00%</u>		<u>7.35%</u>		<u>4.85%</u>

Discount Rate – The discount rate used to measure the total pension liability was 7.60%. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability – The components of the change in net pension liability are summarized as follows:

Total Pension Liability	
Service cost	\$ 983,064
Interest on the total pension liability	5,347,638
Differences between expected and actual experience	83,960
Changes in assumptions	2,359,578
Benefit payments and refunds	<u>(3,864,734)</u>
Net change in total pension liability	4,909,506
Total pension liability - beginning	<u>71,804,504</u>
Total pension liability - ending (a)	<u>\$ 76,714,010</u>
Plan Fiduciary Net Position	
Employer contributions	\$ 4,176,804
Employee contributions	507,808
Net investment income	6,164,510
Benefit payments and refunds	(3,864,734)
Administrative expense	<u>(93,507)</u>
Net change in plan fiduciary net position	6,890,881
Plan fiduciary net position - beginning	<u>45,404,217</u>
Plan fiduciary net position - ending (b)	<u>\$ 52,295,098</u>
Net pension liability (a-b)	<u>\$ 24,418,912</u>
Plan fiduciary net position as a percentage of total pension liability	68.17%
Covered payroll	\$ 6,525,085
Net pension liability as a percentage of covered payroll	374.23%

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the Township, calculated using the discount rate of 7.60%, as well as what the Township’s net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.6%) or 1 percentage point higher (8.6%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net pension liability	\$ 34,304,143	\$ 24,418,912	\$ 16,274,856

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2021, the Township recognized pension expense of \$2,816,153. As of December 31, 2021, the Township reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Amount to Amortize
Difference between expected and actual experience	\$ 70,026	\$ (194,236)	\$ (124,210)
Changes in assumptions	3,033,522	-	3,033,522
Net difference between projected and actual earnings on plan investments	-	(1,935,327)	(1,935,327)
Contributions subsequent to the measurement date*	4,759,365	-	-
Total	\$ 7,862,913	\$ (2,129,563)	\$ 973,985

*The amount reported as deferred outflows of resources resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending 2021.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31,	
2022	\$ 665,856
2023	1,227,902
2024	(382,534)
2025	(537,239)
	\$ 973,985

Financial Statement Reconciliation

	Net Pension Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	Total Pension Expense
Charter Township of Meridian				
Employees' Retirement System	\$ (498,837)	\$ -	\$ (573,572)	\$ 271,843
Municipal Employee's Retirement System of Michigan	24,418,912	7,862,913	(2,129,563)	2,816,153
	\$ 23,920,075	\$ 7,862,913	\$ (2,703,135)	\$ 3,087,996

Note 13 - Defined Contribution Plan Description

Meridian Charter Township Money Purchase Plan

The Township provides pension benefits to its nonunion, professional supervisory, and professional nonsupervisory employees through a defined contribution plan which is administered by ICMA. The Township also provides a defined contribution Retirement Health Savings Plan (RHS) for all employees, except the police and fire union personnel, through a plan administered by Vantage Care. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan provisions and contribution requirements were established through negotiation with the Township’s competitive bargaining units. For the defined contribution plan, the Township contributes 10% of employees’ gross earnings, while employees contribute 3.5%. For the healthcare plan, the Township contributes 2% of employees’ gross earnings, while

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

employees contribute 1%. Additionally, when an employee separates or retires from the Township, 0.25% of their unused sick time is contributed to their Retirement Health Savings Plan.

In accordance with these requirements, the Township contributed \$359,668 and \$131,988 during the current year and employees contributed \$104,812 and \$90,238 for the defined contribution and healthcare plans, respectively.

Note 14 - Other Postemployment Benefits

Plan description – The Township, in accordance with the labor contracts, administers the Charter Township of Meridian Other Postemployment Benefits Plan - a single employer defined benefits plan used to provide postemployment health care benefits. The committee designated with oversight within the Township consists of the Township Manager, Finance Director, and Township Treasurer.

This is a single employer defined benefit plan administered by the Township. The benefits are provided under collective bargaining agreements. The plan does not issue a separate stand-alone financial statement. Administrative costs are paid by the plan through the employer contributions.

Benefits provided – Benefits are provided through a self-insurance plan, and half of the cost of benefits is covered by the plan. The Township, in accordance with labor contracts, has the authority to establish and amend the benefit terms. Benefits are provided for as follows:

Retiree Coverage and Eligibility

All police and fire uniformed employees (MTFFA/POAM/FOP) receive two-person coverage after reaching age 50 with 25 years of service. The Township pays 50% of the monthly premium.

All AFSCME-DPW and Teamsters employees who are hired prior to 1981 and have at least twenty (20) years of service and are at least age 55. The Township will pay one-half (1/2) of the two (2) person rate (not to exceed \$4,000 annually) or one-half (1/2) the single subscriber rate (not to exceed \$2,000 annually).

AFSCME-Clerical, AFSCME-Non-Supervisory, Professional Supervisory and Non-Union employees do not receive retiree post-retirement health coverage.

Spouse Coverage

One-half of the cost of spouse coverage is included for retirees covered by the MTFFA, POAM and FOP collective bargaining agreements. AFSCME-DPW and Teamsters employees' spouse are covered subject to the limits listed above.

Coverage for Beneficiary of Deceased Active Employee

MTFFA only – Coverage will be maintained for the firefighter and his/her family after his/her death or disability. The coverage will be maintained for the spouse until remarriage and for the children until they reach age 21 or until they marry, if marrying before age 21.

Coverage for Beneficiary of Deceased Retired Employee

One-half of the cost of the surviving spouse coverage is included for retirees covered by the MTFFA, POAM and FOP collective bargaining agreements. AFSCME-DPW and Teamsters employees' surviving spouse are covered subject to the limits listed above.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Employees covered by benefit terms – At December 31, 2021, the plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	33
Inactive plan members entitled to, but not yet receiving benefits	36
Active plan members	59
	128

Contributions – The Township, in accordance with labor contracts, has the authority to establish and amend the contribution requirements of the Township and plan members. The Township establishes rates based on an actuarially determined rate. For the year ended December 31, 2021, the Township contributed \$190,327. Plan members are required to contribute 0 percent to the plan.

Investment policy – The Plan does not have a formal policy in regards to the allocation of invested assets. Establishing such a policy, and any subsequent amendments to the policy, would require a majority vote of the Township Board's members. It is the intention of the Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across the broad selection of distinct asset classes. The Plan informally discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The Plan invests in accordance with the authorizations noted in note 3 that are applicable to the Township.

The long-term expected rate of return on OPEB plan investments have not been formally determined by asset allocation class. The Plan as a whole expects the long-term expected rate to be 5%. The Plan currently has one investment which is considered a balanced fund that seeks to obtain exposure to approximately 62% fixed income/stable value investment and 34% equity investments and 4% multi-strategy investments.

Rate of return – For the year ended December 31, 2021, the annual money-weighted rate of return on investments, net of investment expense, was 8.74%. The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested.

Net OPEB liability – The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. The components of the net OPEB liability as of December 31, 2021 were as follows:

Total OPEB liability	\$ 7,956,889
Plan fiduciary net position	(7,595,597)
Net OPEB liability	\$ 361,292

Plan fiduciary net position as a percentage of the total OPEB liability is 95.46%.

Actuarial assumptions – The total OPEB liability was determined by an actuarial valuation as of December 31, 2020, using the following actuarial assumptions, applied to all periods included in the measurement.

Inflation	2.50%
Salary increases	N/A
Investment rate of return	5.00%, including inflation, net of administrative and investment expenses
Healthcare cost trend rates	Non-medicare: 7.50% in 2021, grading to 3.50% in 2032. Medicare: 6.25% in 2021, grading to 3.50% in 2032.

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Mortality rates were based on the following:

Post Retirement: Sex distinct Pub-2010 General Healthy Retiree tables scaled by a factor of 106%. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

Disabled Retirement: Sex distinct PubNS-2010 Disabled tables without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

Pre Retirement: Sex distinct Pub-2010 General Employees tables without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

Discount rate – A single discount rate of 4.98% was used to measure the total OPEB liability. This single discount rate was based on a combination of the expected rate of return on OPEB plan investments of 5.00% and the municipal bond rate of 1.84%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at the levels in the actuarial report. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members, which results in the use of a single discount rate.

Changes in Net OPEB Liability

Total OPEB Liability	
Service cost	\$ 77,036
Interest	346,126
Differences between expected and actual experience	272,930
Changes in assumptions	445,576
Benefit payments	<u>(165,327)</u>
Net change in total OPEB liability	976,341
Total OPEB liability - beginning	<u>6,980,548</u>
Total OPEB liability - ending (a)	<u><u>\$ 7,956,889</u></u>

Plan Fiduciary Net Position

Employer contributions	\$ 190,327
Net investment income	608,510
Benefit payments and refunds	<u>(165,327)</u>
Net change in plan fiduciary net position	633,510
Plan fiduciary net position - beginning	<u>6,962,087</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 7,595,597</u></u>

Net OPEB liability (a-b)

Plan fiduciary net position as a percentage of total OPEB liability	95.46%
Covered payroll	N/A
Net OPEB liability as a percentage of covered payroll	N/A

Sensitivity of the net OPEB liability to changes in the discount rate – The following presents the net OPEB liability of the Township, as well as what the Township's net OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate.

	1% Decrease	Current	1% Increase
	3.98%	Discount Rate 4.98%	5.98%
Net OPEB liability (asset)	\$ 1,594,905	\$ 361,292	\$ (629,567)

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – The following presents the net OPEB liability of the Township, as well as what the Township’s net OPEB liability would be if were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Current Healthcare Trend Rate Assumption</u>	<u>1% Increase</u>
Net OPEB liability (asset)	\$ (670,984)	\$ 361,292	\$ 1,655,714

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB – For the year ended December 31, 2021 the employer recognized an OPEB benefit of \$520,924. The employer reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Amount to Amortize</u>
Difference between expected and actual experience	\$ 221,306	\$ (1,363,698)	\$ (1,142,392)
Changes in assumptions	450,834	(32,442)	418,392
Net difference between projected and actual earnings on plan investments	-	(508,276)	(508,276)
Total	<u>\$ 672,140</u>	<u>\$ (1,904,416)</u>	<u>\$ (1,232,276)</u>

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending December 31,</u>		
2022	\$	(595,356)
2023		(688,315)
2024		(69,735)
2025		82,139
2026		38,991
		<u>\$ (1,232,276)</u>

Note 15 - Pension and Other Employee Benefit Trust Funds
Financial Statements

	<u>Pension Trust Fund</u>	<u>Employer Funded Retiree Health Insurance Trust Fund</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 81,006	\$ -	\$ 81,006
Investments			
Exchange traded funds	1,167,319	-	1,167,319
Mutual funds	4,175,907	7,595,597	11,771,504
Receivables			
Accrued interest	3,122	-	3,122
Total assets	<u>5,427,354</u>	<u>7,595,597</u>	<u>13,022,951</u>

Net Position			
Restricted - held in trust for pension benefits and other employee benefits	<u>\$ 5,427,354</u>	<u>\$ 7,595,597</u>	<u>\$ 13,022,951</u>

	<u>Pension Trust Fund</u>	<u>Employer Funded Retiree Health Insurance Trust Fund</u>	<u>Total</u>
Additions			
Contributions			
Employer	\$ 128,800	\$ 190,327	\$ 319,127
Investment earnings			
Interest and dividends	186,022	608,510	794,532
Change in fair value	426,800	-	426,800
Investment expenses	(35,446)	-	(35,446)
Net investment income	<u>577,376</u>	<u>608,510</u>	<u>1,185,886</u>
Total additions	<u>706,176</u>	<u>798,837</u>	<u>1,505,013</u>

Deductions			
Benefits	400,232	165,327	565,559
Other deductions	61,009	-	61,009
Total deductions	<u>461,241</u>	<u>165,327</u>	<u>626,568</u>
Change in net position	244,935	633,510	878,445
Net position - beginning of year	<u>5,182,419</u>	<u>6,962,087</u>	<u>12,144,506</u>
Net position - end of year	<u>\$ 5,427,354</u>	<u>\$ 7,595,597</u>	<u>\$ 13,022,951</u>

Charter Township of Meridian
Notes to the Financial Statements
For the Year Ended December 31, 2021

Note 16 - Joint Venture

East Lansing – Meridian Water and Sewer Authority

The Township is a member of the East Lansing – Meridian Water and Sewer Authority, which provides water services to the residents of the City of East Lansing and the Charter Township of Meridian. The participating communities provide annual funding for its operations. During the current year, the Township contributed \$3,479,226 for its operations and debt. The Township is unaware of any circumstances that would cause an additional benefit or burden to the participating governments in the near future. The Township appoints three members to the joint venture’s governing board, which then approves the annual budget.

The following financial information of the joint venture is obtained from audited financial statements as of June 30, 2021. Complete financial statements for the East Lansing – Meridian Water and Sewer Authority can be obtained from the administrative office at 410 Abbot Road, East Lansing, Michigan.

Total assets	\$ 13,172,372
Total deferred outflows of resources	231,334
Total liabilities	2,980,624
Total deferred inflows of resources	508,705
Total net position	9,914,377
Total operating revenue	5,152,654
Total operating expenses	3,927,451
Total nonoperating revenue (expense)	(617,496)
Change in net position	607,707

The Township’s equity in this joint venture as of December 31, 2021 is \$6,282,032, which is recorded in the Water Fund.

Note 17 - Tax Abatements

The Township receives reduced property tax revenue as a result of payment in lieu of taxes agreements (PILT) under Section 15A of the State Housing Development Authority Act of 1966 and also under MCL 211.7d Public Act 8 of 2010. The Township has Brownfield reductions under Michigan Public Act 381 of 1996.

For the fiscal year ended December 31, 2021, the Township’s property tax revenues were reduced by \$114,991 under these programs. These long-term agreements expire in varying years with one agreement expiring only when the property ceases to be used for the purpose specified in the abatement agreement.

There are no significant abatements made by Ingham County that affect the Township.

Note 18 - Property Tax Appeals

The Township is defending various property tax appeal cases in the Michigan Tax Tribunal. In each case, the Township assessor is required to determine whether to litigate or settle. The property tax values relate to multiple tax years, and the outcome of these cases may affect property tax revenue.

Note 19 - Federal Revenue

Federal revenue is reported in the basic financial statements in excess of \$ 750,000. However, this is a result of following the revenue recognition 45-day requirement when recording revenue, and the Township did not have federal expenditures of \$ 750,000 or more and therefore does not require an audit under 2 CFR Part 200.

Required Supplementary Information

Charter Township of Meridian
Required Supplementary Information
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Actual
	Original	Final		Over (Under) Final Budget
Revenues				
Taxes	\$ 13,924,700	\$ 13,988,700	\$ 14,049,533	\$ 60,833
Licenses and permits	1,558,000	1,558,000	2,209,855	651,855
Federal grants	-	915,000	919,282	4,282
State-shared revenue	3,000,000	3,350,000	4,097,493	747,493
State grants	65,000	65,000	111,686	46,686
Charges for services	3,239,000	3,363,000	3,387,104	24,104
Fines and forfeitures	328,400	328,400	351,728	23,328
Investment income	105,235	105,235	37,857	(67,378)
Other revenue	469,210	524,210	546,366	22,156
Total revenues	<u>22,689,545</u>	<u>24,197,545</u>	<u>25,710,904</u>	<u>1,513,359</u>
Expenditures				
General government	6,579,100	7,316,550	6,483,253	(833,297)
Public safety	12,997,465	13,084,665	12,620,686	(463,979)
Health and welfare	65,565	65,915	65,439	(476)
Community and economic development	1,816,923	2,303,623	1,553,537	(750,086)
Recreation and culture	1,166,867	1,177,267	1,088,685	(88,582)
Debt service				
Principal retirement	380,500	396,410	396,408	(2)
Interest and fiscal charges	121,000	81,900	81,841	(59)
Total expenditures	<u>23,127,420</u>	<u>24,426,330</u>	<u>22,289,849</u>	<u>(2,136,481)</u>
Excess (deficiency) of revenues over expenditures	<u>(437,875)</u>	<u>(228,785)</u>	<u>3,421,055</u>	<u>3,649,840</u>
Other financing sources (uses)				
Transfers in	-	50,000	50,000	-
Transfers out	(530,000)	(511,300)	(511,300)	-
Total other financing sources (uses)	<u>(530,000)</u>	<u>(461,300)</u>	<u>(461,300)</u>	<u>-</u>
Net change in fund balance	(967,875)	(690,085)	2,959,755	3,649,840
Fund balance - beginning of year	<u>10,205,761</u>	<u>10,205,761</u>	<u>10,205,761</u>	<u>-</u>
Fund balance - end of year	<u>\$ 9,237,886</u>	<u>\$ 9,515,676</u>	<u>\$ 13,165,516</u>	<u>\$ 3,649,840</u>

Charter Township of Meridian
Required Supplementary Information
Budgetary Comparison Schedule
Local Roads Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Taxes	\$ -	\$ -	\$ 2,666	\$ 2,666
Local contributions	172,500	172,500	-	(172,500)
Investment income	60,000	60,000	109,573	49,573
 Total revenues	 232,500	 232,500	 112,239	 (120,261)
Expenditures				
Current				
Public works	3,950,000	3,950,000	3,295,196	(654,804)
 Excess (deficiency) of revenues over expenditures	 (3,717,500)	 (3,717,500)	 (3,182,957)	 534,543
Other financing sources				
Transfers in	280,000	280,000	280,000	-
 Net change in fund balance	 (3,437,500)	 (3,437,500)	 (2,902,957)	 534,543
Fund balance - beginning of year	7,572,942	7,572,942	7,572,942	-
Fund balance - end of year	\$ 4,135,442	\$ 4,135,442	\$ 4,669,985	\$ 534,543

**Charter Township of Meridian
Required Supplementary Information
Budgetary Comparison Schedule
Land Preservation Fund
For the Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Actual Over (Under)
	Original	Final		Final Budget
Revenues				
Taxes	\$ 186,100	\$ 186,100	\$ 190,497	\$ 4,397
Investment income	60,000	60,000	9,310	(50,690)
Total revenues	246,100	246,100	199,807	(46,293)
Expenditures				
Current				
Recreation and culture	201,595	201,595	114,709	(86,886)
Net change in fund balance	44,505	44,505	85,098	40,593
Fund balance - beginning of year	7,233,545	7,233,545	7,233,545	-
Fund balance - end of year	\$ 7,278,050	\$ 7,278,050	\$ 7,318,643	\$ 40,593

Charter Township of Meridian
Notes to the Required Supplementary Information
For the Year Ended December 31, 2021

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

The Township adopts a formal budget for the General Fund, special revenue fund types, and debt service fund types. By mid-June of each year, all department heads submit spending requests to the director of finance so that a budget may be prepared. Before September 1, the proposed budget is submitted by the Township manager to the Township board for review. Public hearings are held, and a final budget is adopted no later than November 1. The Township manager has authority to amend the budget up to \$1,500. Any budget amendments greater than \$1,500 must be approved by the Township board. The legal level of budgetary control is effectively lowered to that level. During the year, the budget was amended in a legally permissible manner.

The budget is adopted on a functional basis. Although spending estimates are produced for each line item, budgetary control is exercised at the department level for internal control purposes. Encumbrances represent commitments related to unperformed contracts (or purchase orders) for goods or services. Encumbrances are not included as expenditures or liabilities; the amount of encumbrances outstanding at December 31, is not significant. Unexpended appropriations lapse at year end.

The budgetary comparison schedules for the General Fund and major special revenue funds are presented on the same basis of accounting used in preparing the adopted budgets.

A comparison of actual results of operations to all budgets shown in the other supplementary information section is for management analysis and is more detailed than the adopted budget on a functional basis.

Excess of Expenditures Over Appropriations in Budgeted Funds

During the year, the Township did not incur expenditures that were in excess of the amounts budgeted.

Deficit Budget Adopted

During the year, the Township adopted a budget in the Park Millage Fund with a deficit ending fund balance of \$24,828.

Charter Township of Meridian
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Charter Township of Meridian Employee's Retirement Pension Plan
Last Eight Fiscal Years

Fiscal year ended December 31,	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability								
Service cost	\$ 8,529	\$ 8,064	\$ 7,933	\$ 7,751	\$ 14,978	\$ 14,830	\$ 12,993	\$ 10,867
Interest on the total pension liability	294,717	297,676	302,038	307,616	318,040	324,025	307,223	302,325
Differences between expected and actual experience	-	120,898	54,195	25,530	(86,411)	(22,387)	(124,938)	131,492
Changes in assumptions	(51,802)	(33,084)	-	-	-	-	474,087	-
Benefit payments and refunds	(461,241)	(424,945)	(448,911)	(418,997)	(414,434)	(418,211)	(362,253)	(365,991)
	<u>(209,797)</u>	<u>(31,391)</u>	<u>(84,745)</u>	<u>(78,100)</u>	<u>(167,827)</u>	<u>(101,743)</u>	<u>307,112</u>	<u>78,693</u>
Total pension liability - beginning	<u>5,138,314</u>	<u>5,169,705</u>	<u>5,254,450</u>	<u>5,332,550</u>	<u>5,500,377</u>	<u>5,602,120</u>	<u>5,295,008</u>	<u>5,216,315</u>
Total pension liability - ending (a)	<u>\$ 4,928,517</u>	<u>\$ 5,138,314</u>	<u>\$ 5,169,705</u>	<u>\$ 5,254,450</u>	<u>\$ 5,332,550</u>	<u>\$ 5,500,377</u>	<u>\$ 5,602,120</u>	<u>\$ 5,295,008</u>
Plan Fiduciary Net Position								
Employer contributions	\$ 128,800	\$ 200,000	\$ 200,000	\$ 300,000	\$ 400,000	\$ 400,000	\$ 250,000	\$ 260,000
Net investment income (loss)	577,376	605,038	880,823	(217,924)	593,541	162,002	86,536	296,201
Benefit payments and refunds	(461,241)	(424,945)	(448,911)	(418,997)	(414,434)	(418,211)	(362,253)	(365,991)
Administrative expense	-	(50)	(74)	(25)	(46)	(25)	(69,808)	(72,944)
	<u>244,935</u>	<u>380,043</u>	<u>631,838</u>	<u>(336,946)</u>	<u>579,061</u>	<u>143,766</u>	<u>(95,525)</u>	<u>117,266</u>
Plan fiduciary net position - beginning	<u>5,182,419</u>	<u>4,802,376</u>	<u>4,170,538</u>	<u>4,507,484</u>	<u>3,928,423</u>	<u>3,784,657</u>	<u>3,880,182</u>	<u>3,762,916</u>
Plan fiduciary net position - ending (b)	<u>\$ 5,427,354</u>	<u>\$ 5,182,419</u>	<u>\$ 4,802,376</u>	<u>\$ 4,170,538</u>	<u>\$ 4,507,484</u>	<u>\$ 3,928,423</u>	<u>\$ 3,784,657</u>	<u>\$ 3,880,182</u>
Net pension liability (asset) (a-b)	<u>\$ (498,837)</u>	<u>\$ (44,105)</u>	<u>\$ 367,329</u>	<u>\$ 1,083,912</u>	<u>\$ 825,066</u>	<u>\$ 1,571,954</u>	<u>\$ 1,817,463</u>	<u>\$ 1,414,826</u>
Plan fiduciary net position as a percentage of total pension liability	110.12%	100.86%	92.89%	79.37%	84.53%	71.42%	67.56%	73.28%
Covered payroll	\$ -	\$ 112,521	\$ 106,283	\$ 104,560	\$ 102,156	\$ 100,153	\$ 99,161	\$ 97,050
Net pension liability (asset) as a percentage of covered payroll	N/A	(39.20%)	345.61%	1,036.64%	807.65%	1,569.55%	1,832.84%	1,457.83%

Note: GASB Statement No. 67 was implemented for the fiscal year ended December 31, 2014 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

**Charter Township of Meridian
Required Supplementary Information
Schedule of Employer Contributions
Charter Township of Meridian Employee's Retirement Pension Plan
Last Ten Fiscal Years**

Actuarial Valuation Date	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
12/31/2012	\$ 437,567	\$ 450,808	\$ (13,241)	\$ 138,984	324.36%
12/31/2013	457,795	-	457,795	85,570	0.00%
12/31/2014	421,346	260,000	161,346	97,050	267.90%
12/31/2015	403,377	250,000	153,377	99,161	252.12%
12/31/2016	430,449	400,000	30,449	100,153	399.39%
12/31/2017	206,057	400,000	(193,943)	102,156	391.56%
12/31/2018	151,469	300,000	(148,531)	104,560	286.92%
12/31/2019	146,745	200,000	(53,255)	106,283	188.18%
12/31/2020	127,718	200,000	(72,282)	112,521	177.74%
12/31/2021	89,043	128,800	(39,757)	-	N/A

Notes to Schedule of Employer Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date

December 31, 2020

Notes

Actuarially determined contribution rates are calculated as of December 31 each year, which is 1 day prior to the beginning of the fiscal year in which contributions are reported. The actuarially determined contribution (ADC) included in this schedule is calculated as the normal cost payment plus the amortized portion of the unfunded actuarial accrued liability.

Methods and assumptions used to determine contribution rates:

Actuarial cost method

Individual entry-age normal

Amortization method

Level dollar, closed

Remaining amortization period

6 years

Asset valuation method

4-year smoothed market

Inflation

4.5%

Salary increases

4.5%

Investment rate of return

6.0%, net of pension plan investment expenses, including inflation

Retirement age

The final active member is assumed to retire at age 68.

Mortality

Fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales.

**Charter Township of Meridian
 Required Supplementary Information
 Schedule of Investment Returns
 Charter Township of Meridian Employee's Retirement Pension Plan
 Last Eight Fiscal Years**

Fiscal Year Ending December 31,	Annual Money- Weighted Rate of Return, Net of Investment Expense
2014	8.01%
2015	2.23%
2016	4.35%
2017	15.46%
2018	-5.34%
2019	22.46%
2020	13.04%
2021	11.55%

Note: GASB Statement No. 67 was implemented for the fiscal year ended December 31, 2014 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

Charter Township of Meridian
Required Supplementary Information
Schedule of Changes in Net Pension Liability and Related Ratios
Municipal Employees' Retirement System of Michigan
Last Seven Fiscal Years

Fiscal year ended December 31,	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability							
Service cost	\$ 983,064	\$ 984,875	\$ 984,557	\$ 1,010,514	\$ 1,000,303	\$ 981,161	\$ 972,200
Interest on the total pension liability	5,347,638	5,226,527	5,023,418	4,901,121	4,711,548	4,473,927	4,260,390
Differences between expected and actual experience	83,960	14,112	(17,758)	(948,982)	(268,400)	(344,829)	-
Changes in assumptions	2,359,578	2,527,677	-	-	-	2,496,029	-
Changes in benefits	-	-	-	(201,785)	-	-	-
Other changes	-	-	-	(9,031)	-	-	-
Benefit payments and refunds	<u>(3,864,734)</u>	<u>(3,575,639)</u>	<u>(3,327,410)</u>	<u>(3,092,898)</u>	<u>(3,064,869)</u>	<u>(2,837,026)</u>	<u>(2,460,442)</u>
Net change in total pension liability	4,909,506	5,177,552	2,662,807	1,658,939	2,378,582	4,769,262	2,772,148
Total pension liability - beginning	<u>71,804,504</u>	<u>66,626,952</u>	<u>63,964,145</u>	<u>62,305,206</u>	<u>59,926,624</u>	<u>55,157,362</u>	<u>52,385,214</u>
Total pension liability - ending (a)	<u>\$ 76,714,010</u>	<u>\$ 71,804,504</u>	<u>\$ 66,626,952</u>	<u>\$ 63,964,145</u>	<u>\$ 62,305,206</u>	<u>\$ 59,926,624</u>	<u>\$ 55,157,362</u>
Plan Fiduciary Net Position							
Employer contributions	\$ 4,176,804	\$ 3,854,707	\$ 3,802,749	\$ 3,460,367	\$ 2,835,443	\$ 2,065,675	\$ 1,863,475
Employee contributions	507,808	503,377	500,743	519,853	454,938	434,297	552,292
Net investment income (loss)	6,164,510	5,449,737	(1,638,422)	4,636,217	3,637,926	(517,185)	1,898,696
Benefit payments and refunds	(3,864,734)	(3,575,639)	(3,327,410)	(3,092,898)	(3,064,869)	(2,837,026)	(2,460,442)
Administrative expense	<u>(93,507)</u>	<u>(94,307)</u>	<u>(79,386)</u>	<u>(73,113)</u>	<u>(71,256)</u>	<u>(70,405)</u>	<u>(69,906)</u>
Net change in plan fiduciary net position	6,890,881	6,137,875	(741,726)	5,450,426	3,792,182	(924,644)	1,784,115
Plan fiduciary net position - beginning	<u>45,404,217</u>	<u>39,266,342</u>	<u>40,008,068</u>	<u>34,557,642</u>	<u>30,765,460</u>	<u>31,690,104</u>	<u>29,905,989</u>
Plan fiduciary net position - ending (b)	<u>\$ 52,295,098</u>	<u>\$ 45,404,217</u>	<u>\$ 39,266,342</u>	<u>\$ 40,008,068</u>	<u>\$ 34,557,642</u>	<u>\$ 30,765,460</u>	<u>\$ 31,690,104</u>
Net pension liability (a-b)	<u>\$ 24,418,912</u>	<u>\$ 26,400,287</u>	<u>\$ 27,360,610</u>	<u>\$ 23,956,077</u>	<u>\$ 27,747,564</u>	<u>\$ 29,161,164</u>	<u>\$ 23,467,258</u>
Plan fiduciary net position as a percentage of total pension liability	68.17%	63.23%	58.93%	62.55%	55.47%	51.34%	57.45%
Covered payroll	\$ 6,525,085	\$ 6,445,381	\$ 6,473,935	\$ 6,324,075	\$ 6,197,969	\$ 6,122,164	\$ 6,100,190
Net pension liability as a percentage of covered payroll	374.23%	409.60%	422.63%	378.81%	447.69%	476.32%	384.70%

Note: GASB Statement No. 68 was implemented for the fiscal year ended December 31, 2015 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

Charter Township of Meridian
Required Supplementary Information
Schedule of Employer Contributions
Municipal Employees' Retirement System of Michigan
Last Ten Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
12/31/2012	\$ 1,691,100	\$ 1,724,094	\$ (32,994)	\$ 6,166,430	27.96%
12/31/2013	1,799,256	1,863,475	(64,219)	6,444,197	28.92%
12/31/2014	1,917,900	1,852,078	65,822	6,100,190	30.36%
12/31/2015	2,001,384	3,049,113	(1,047,729)	6,122,164	49.80%
12/31/2016	1,835,443	2,835,443	(1,000,000)	6,197,969	45.75%
12/31/2017	2,318,478	3,460,368	(1,141,890)	6,324,075	54.72%
12/31/2018	2,302,708	3,802,749	(1,500,041)	6,453,286	58.93%
12/31/2019	2,354,749	3,854,707	(1,499,958)	6,586,586	58.52%
12/31/2020	2,676,804	4,176,804	(1,500,000)	6,434,228	64.92%
12/31/2021	3,009,365	4,759,365	(1,750,000)	6,460,360	73.67%

Notes to Schedule of Employer Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end the fiscal year in which contributions are reported.

Other

The actuarially determined contribution (ADC) included in this schedule is calculated as the normal cost payment plus the amortized portion of the unfunded actuarial accrued liability.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age
Amortization method	Level percentage of pay, open
Remaining amortization period	20 years
Asset valuation method	5 year smoothed
Inflation	2.50%
Salary increases	3.00%
Investment rate of return	7.35%, gross of pension plan investment expenses, including inflation
Retirement age	60 years
Mortality	Fully generational Pub-2010 amount-weighted General Mortality Tables for males and females with MP-2019 mortality improvement scales.

Charter Township of Meridian
Required Supplementary Information
Schedule of Changes in Net OPEB Liability and Related Ratios
Charter Township of Meridian Postemployment Health Benefits
Last Five Fiscal Years

Fiscal year ended December 31,	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability					
Service cost	\$ 77,036	\$ 109,467	\$ 101,169	\$ 190,743	\$ 184,032
Interest	346,126	336,017	451,588	433,155	422,016
Differences between expected and actual experience	272,930	(74,110)	(3,048,686)	(177,273)	(146,888)
Changes in assumptions	445,576	(29,617)	218,141	(38,069)	49,580
Benefit payments	<u>(165,327)</u>	<u>(162,018)</u>	<u>(136,274)</u>	<u>(126,136)</u>	<u>(123,649)</u>
Net change in total OPEB liability	976,341	179,739	(2,414,062)	282,420	385,091
Total OPEB liability - beginning	<u>6,980,548</u>	<u>6,800,809</u>	<u>9,214,871</u>	<u>8,932,451</u>	<u>8,547,360</u>
Total OPEB liability - ending (a)	<u>\$ 7,956,889</u>	<u>\$ 6,980,548</u>	<u>\$ 6,800,809</u>	<u>\$ 9,214,871</u>	<u>\$ 8,932,451</u>
Plan Fiduciary Net Position					
Employer contributions	\$ 190,327	\$ 447,018	\$ 447,774	\$ 450,136	\$ 295,649
Net investment income (loss)	608,510	652,811	724,043	(212,818)	395,193
Benefit payments and refunds	<u>(165,327)</u>	<u>(162,018)</u>	<u>(136,274)</u>	<u>(126,136)</u>	<u>(123,649)</u>
Net change in plan fiduciary net position	633,510	937,811	1,035,543	111,182	567,193
Plan fiduciary net position - beginning	<u>6,962,087</u>	<u>6,024,276</u>	<u>4,988,733</u>	<u>4,877,551</u>	<u>4,310,358</u>
Plan fiduciary net position - ending (b)	<u>\$ 7,595,597</u>	<u>\$ 6,962,087</u>	<u>\$ 6,024,276</u>	<u>\$ 4,988,733</u>	<u>\$ 4,877,551</u>
Net OPEB liability (a-b)	<u>\$ 361,292</u>	<u>\$ 18,461</u>	<u>\$ 776,533</u>	<u>\$ 4,226,138</u>	<u>\$ 4,054,900</u>
Plan fiduciary net position as a percentage of total OPEB liability	95.46%	99.74%	88.58%	54.14%	54.60%
Covered payroll	N/A	N/A	N/A	N/A	N/A
Net OPEB liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

Note: GASB Statement No. 74 was implemented for the fiscal year ended December 31, 2017 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

**Charter Township of Meridian
Required Supplementary Information
Schedule of Employer Contributions
Charter Township of Meridian Postemployment Health Benefits
Last Ten Fiscal Years**

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
12/31/2012	\$ 461,822	\$ 645,307	\$ (183,485)	N/A	N/A
12/31/2013	461,822	470,037	(8,215)	N/A	N/A
12/31/2014	283,991	501,000	(217,009)	N/A	N/A
12/31/2015	283,991	500,000	(216,009)	N/A	N/A
12/31/2016	283,991	306,674	(22,683)	N/A	N/A
12/31/2017	453,565	295,649	157,916	N/A	N/A
12/31/2018	449,295	450,136	(841)	N/A	N/A
12/31/2019	207,005	447,774	(240,769)	N/A	N/A
12/31/2020	205,355	447,018	(241,663)	N/A	N/A
12/31/2021	172,422	190,327	(17,905)	N/A	N/A

Notes to Schedule of Employer Contributions

Actuarial valuation information relative to the determination of contributions:

Valuation date December 31, 2020

Notes Actuarially determined contribution rates are calculated as of December 31 of even numbered years, which is 1 day prior to the beginning of the fiscal year biennium in which contributions are reported. The actuarially determined contribution (ADC) included in this schedule is calculated as the normal cost payment plus the amortized portion of the unfunded actuarial accrued liability.

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry-age normal

Amortization method Level dollar, open

Remaining amortization period 30 years

Asset valuation method Market value

Inflation 2.50%

Salary increases N/A

Investment rate of return 5.00%, including inflation, net of administrative and investment expenses

Retirement age Experience-based tables of rates that are specific to the type of eligibility condition.

Mortality Post Retirement: Sex distinct Pub-2010 General Healthy Retiree tables scaled by a factor of 106%. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

Disabled Retirement: Sex distinct PubNS-2010 Disables tables without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

Pre Retirement: Sex distinct Pub-2010 General Employees table without adjustment. The base year is 2010 and future mortality improvements are assumed each year using scale MP-2019, as published by the Society of Actuaries.

Health care trend rates Non-Medicare: 7.50% in 2021, grading to 3.50% in 2032. Medicare: 6.25% in 2021, grading to 3.50% in 2032.

Aging factors The tables used in developing the retiree premium are based on a recent Society of Actuaries study of health costs.

**Charter Township of Meridian
 Required Supplementary Information
 Schedule of Investment Returns
 Charter Township of Meridian Postemployment Health Benefits
 Last Five Fiscal Years**

Fiscal Year Ending December 31,	Annual Money- Weighted Rate of Return, Net of Investment Expense
2017	9.01%
2018	-5.34%
2019	22.46%
2020	10.68%
2021	8.74%

Note: GASB Statement No. 74 was implemented for the fiscal year ended December 31, 2017 and does not require retroactive implementation. Data will be added as information is available until 10 years of such data is available.

Other Supplementary Information

Charter Township of Meridian
Description of Funds
Nonmajor Governmental Funds

Pedestrian/Bike Path Millage Fund – This fund is used to account for the design and construction of the Township’s millage-supported pedestrian/bicycle pathway system.

Fire Restricted/Designated Fund – This fund is used to account for donations that are restricted and designated for fire-related activities.

Police Restricted/Designated Fund – This fund is used to account for donations, forfeitures, and State of Michigan funds that are specifically used to aid law enforcement.

Senior Center Millage Fund – This fund is used to account for tax revenue and donations that are used to support the Meridian Senior Center.

Cable TV Fund – This fund is used to account for the operations of government access channels, which provide news and information about the Township’s government activities and the community it serves. Funds for operations are derived from cable franchise fees.

Community Needs Fund – This fund is used to account for donations that provide emergency funds to needy Township residents.

Library Fund – This fund is used to account for donations for improvements to the local libraries.

Grants Fund – This fund is used to account for various federal grant awards.

CATA Millage Fund – This fund is used to account for tax revenue that supports increased public transportation.

Park Millage Fund – This fund is used to account for tax revenue and donations that are used to beautify and maintain the various parks.

American Rescue Plan Act Fund – This fund is used to account for funding received for pandemic relief and the related expenditures.

Fire Station Debt Service Fund – This fund is used to account for tax revenue and debt service related to the 2013 bond issuance to construct a new central fire station.

Township Improvement Revolving Fund – This fund is used to account for advances from the General Fund and reimbursements from special assessments for specific public improvements.

Charter Township of Meridian
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

Special Revenue Funds

	Pedestrian/ Bike Path Millage	Fire Restricted/ Designated	Police Restricted/ Designated	Senior Center Millage	Cable TV	Community Needs	Library
Assets							
Cash and cash equivalents	\$ 2,347,678	\$ 6,393	\$ 70,779	\$ 467,016	\$ 216,276	\$ 105,650	\$ 13,558
Receivables							
Taxes	357,584	-	-	89,761	-	-	-
Special assessments	-	-	-	-	-	-	-
Customers	-	-	2,083	-	-	616	-
Due from other units of government	-	-	8,195	-	-	-	-
Prepaid items	-	-	-	-	-	-	-
Total assets	<u>\$ 2,705,262</u>	<u>\$ 6,393</u>	<u>\$ 81,057</u>	<u>\$ 556,777</u>	<u>\$ 216,276</u>	<u>\$ 106,266</u>	<u>\$ 13,558</u>
Liabilities							
Accounts payable	\$ 33,155	\$ -	\$ 750	\$ 55,402	\$ -	\$ -	\$ -
Accrued and other liabilities	-	-	2,874	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>33,155</u>	<u>-</u>	<u>3,624</u>	<u>55,402</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources							
Unavailable revenue - special assessments	-	-	-	-	-	-	-
Unavailable revenue - federal grant revenue	-	-	8,195	-	-	-	-
Property taxes levied for a subsequent period	632,327	-	-	158,666	-	-	-
Special assessments levied for a subsequent period	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>632,327</u>	<u>-</u>	<u>8,195</u>	<u>158,666</u>	<u>-</u>	<u>-</u>	<u>-</u>

Charter Township of Meridian
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

Special Revenue Funds

	Pedestrian/ Bike Path Millage	Fire Restricted/ Designated	Police Restricted/ Designated	Senior Center Millage	Cable TV	Community Needs	Library
Fund Balances							
Non-spendable							
Prepaid items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted for							
Pedestrian/bike path millage	2,039,780	-	-	-	-	-	-
Fire	-	6,393	-	-	-	-	-
Police	-	-	69,238	-	-	-	-
Senior center millage	-	-	-	342,709	-	-	-
Cable TV	-	-	-	-	216,276	-	-
Community needs	-	-	-	-	-	106,266	-
Library	-	-	-	-	-	-	13,558
Grants	-	-	-	-	-	-	-
Capital area transportation authority millage	-	-	-	-	-	-	-
Park millage	-	-	-	-	-	-	-
Fire station debt service	-	-	-	-	-	-	-
Assigned - township improvement	-	-	-	-	-	-	-
Total fund balances	<u>2,039,780</u>	<u>6,393</u>	<u>69,238</u>	<u>342,709</u>	<u>216,276</u>	<u>106,266</u>	<u>13,558</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,705,262</u>	<u>\$ 6,393</u>	<u>\$ 81,057</u>	<u>\$ 556,777</u>	<u>\$ 216,276</u>	<u>\$ 106,266</u>	<u>\$ 13,558</u>

**Charter Township of Meridian
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021**

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Grants	CATA Millage	Park Millage	American Rescue Plan Act	Fire Station Debt Service	Township Improvement Revolving	
Assets							
Cash and cash equivalents	\$ 133,136	\$ 174,445	\$ 964,152	\$ 2,260,632	\$ 648,323	\$ 960,562	\$ 8,368,600
Receivables							
Taxes	-	213,802	713,149	-	216,184	-	1,590,480
Special assessments	-	-	-	-	-	1,152,251	1,152,251
Customers	-	-	-	-	-	-	2,699
Due from other units of government	-	-	-	-	-	-	8,195
Prepaid items	-	-	283	-	-	-	283
Total assets	\$ 133,136	\$ 388,247	\$ 1,677,584	\$ 2,260,632	\$ 864,507	\$ 2,112,813	\$ 11,122,508
Liabilities							
Accounts payable	\$ -	\$ -	\$ 8,255	\$ -	\$ -	\$ -	\$ 97,562
Accrued and other liabilities	-	-	2,860	-	-	-	5,734
Due to other funds	-	-	19,785	-	-	-	19,785
Unearned revenue	-	-	-	2,260,632	-	-	2,260,632
Total liabilities	-	-	30,900	2,260,632	-	-	2,383,713
Deferred Inflows of Resources							
Unavailable revenue - special assessments	-	-	-	-	-	1,072,251	1,072,251
Unavailable revenue - federal grant revenue	-	-	-	-	-	-	8,195
Property taxes levied for a subsequent period	-	378,181	1,260,137	-	381,605	-	2,810,916
Special assessments levied for a subsequent period	-	-	-	-	-	80,000	80,000
Total deferred inflows of resources	-	378,181	1,260,137	-	381,605	1,152,251	3,971,362

**Charter Township of Meridian
Other Supplementary Information
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021**

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Grants	CATA Millage	Park Millage	American Rescue Plan Act	Fire Station Debt Service	Township Improvement Revolving	
Fund Balances							
Non-spendable							
Prepaid items	\$ -	\$ -	\$ 283	\$ -	\$ -	\$ -	\$ 283
Restricted for							
Pedestrian/bike path millage	-	-	-	-	-	-	2,039,780
Fire	-	-	-	-	-	-	6,393
Police	-	-	-	-	-	-	69,238
Senior center millage	-	-	-	-	-	-	342,709
Cable TV	-	-	-	-	-	-	216,276
Community needs	-	-	-	-	-	-	106,266
Library	-	-	-	-	-	-	13,558
Grants	133,136	-	-	-	-	-	133,136
Capital area transportation authority millage	-	10,066	-	-	-	-	10,066
Park millage	-	-	386,264	-	-	-	386,264
Fire station debt service	-	-	-	-	482,902	-	482,902
Assigned - township improvement	-	-	-	-	-	960,562	960,562
Total fund balances	<u>133,136</u>	<u>10,066</u>	<u>386,547</u>	<u>-</u>	<u>482,902</u>	<u>960,562</u>	<u>4,767,433</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 133,136</u>	<u>\$ 388,247</u>	<u>\$ 1,677,584</u>	<u>\$ 2,260,632</u>	<u>\$ 864,507</u>	<u>\$ 2,112,813</u>	<u>\$ 11,122,508</u>

Charter Township of Meridian
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

	Special Revenue Funds						
	Pedestrian/ Bike Path Millage	Fire Restricted/ Designated	Police Restricted/ Designated	Senior Center Millage	Cable TV	Community Needs	Library
Revenues							
Taxes	\$ 617,478	\$ -	\$ -	\$ 154,929	\$ -	\$ -	\$ -
Federal grants	-	-	4,217	-	-	-	-
State grants	-	-	4,499	-	-	-	-
Local contributions	-	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Fines and forfeitures	-	-	1,104	-	-	-	-
Investment income	3,257	7	114	716	361	151	22
Other revenue	748,823	1,302	-	-	-	40,063	-
Total revenues	<u>1,369,558</u>	<u>1,309</u>	<u>9,934</u>	<u>155,645</u>	<u>361</u>	<u>40,214</u>	<u>22</u>
Expenditures							
Current							
Public safety	-	-	10,977	-	-	-	-
Public works	825,859	-	-	-	-	-	-
Health and welfare	-	-	-	110,140	-	40,871	-
Recreation and culture	-	-	-	-	5,817	-	-
Debt service							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Total expenditures	<u>825,859</u>	<u>-</u>	<u>10,977</u>	<u>110,140</u>	<u>5,817</u>	<u>40,871</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	543,699	1,309	(1,043)	45,505	(5,456)	(657)	22
Other financing uses							
Transfers out	-	-	-	-	-	-	-
Net change in fund balance	543,699	1,309	(1,043)	45,505	(5,456)	(657)	22
Fund balance - beginning of year	<u>1,496,081</u>	<u>5,084</u>	<u>70,281</u>	<u>297,204</u>	<u>221,732</u>	<u>106,923</u>	<u>13,536</u>
Fund balance - end of year	<u>\$ 2,039,780</u>	<u>\$ 6,393</u>	<u>\$ 69,238</u>	<u>\$ 342,709</u>	<u>\$ 216,276</u>	<u>\$ 106,266</u>	<u>\$ 13,558</u>

**Charter Township of Meridian
Other Supplementary Information
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021**

	Special Revenue Funds				Debt Service Fund	Capital Projects Fund	Total Nonmajor Governmental Funds
	Grants	CATA Millage	Park Millage	American Rescue Plan Act	Fire Station Debt Service	Township Improvement Revolving	
Revenues							
Taxes	\$ -	\$ 368,287	\$ 1,230,738	\$ -	\$ 373,876	\$ -	\$ 2,745,308
Federal grants	-	-	-	-	-	-	4,217
State grants	-	-	223,296	-	-	-	227,795
Local contributions	-	-	153,000	-	-	-	153,000
Charges for services	-	-	-	-	-	231,858	231,858
Fines and forfeitures	-	-	-	-	-	-	1,104
Investment income	223	86	1,526	-	839	41,027	48,329
Other revenue	-	-	189,245	-	-	-	979,433
Total revenues	<u>223</u>	<u>368,373</u>	<u>1,797,805</u>	<u>-</u>	<u>374,715</u>	<u>272,885</u>	<u>4,391,044</u>
Expenditures							
Current							
Public safety	-	-	-	-	-	-	10,977
Public works	-	-	-	-	-	344,916	1,170,775
Health and welfare	2,865	-	-	-	-	-	153,876
Recreation and culture	-	368,000	1,370,495	-	-	-	1,744,312
Debt service							
Principal retirement	-	-	-	-	230,000	-	230,000
Interest and fiscal charges	-	-	-	-	44,590	-	44,590
Total expenditures	<u>2,865</u>	<u>368,000</u>	<u>1,370,495</u>	<u>-</u>	<u>274,590</u>	<u>344,916</u>	<u>3,354,530</u>
Excess (deficiency) of revenues over expenditures	(2,642)	373	427,310	-	100,125	(72,031)	1,036,514
Other financing uses							
Transfers out	-	-	(50,000)	-	-	-	(50,000)
Net change in fund balance	(2,642)	373	377,310	-	100,125	(72,031)	986,514
Fund balance - beginning of year	<u>135,778</u>	<u>9,693</u>	<u>9,237</u>	<u>-</u>	<u>382,777</u>	<u>1,032,593</u>	<u>3,780,919</u>
Fund balance - end of year	<u>\$ 133,136</u>	<u>\$ 10,066</u>	<u>\$ 386,547</u>	<u>\$ -</u>	<u>\$ 482,902</u>	<u>\$ 960,562</u>	<u>\$ 4,767,433</u>

**Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Pedestrian/Bike Path Millage Fund
For the Year Ended December 31, 2021**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Taxes	\$ 601,150	\$ 601,150	\$ 617,478	\$ 16,328
Investment income	8,000	8,000	3,257	(4,743)
Other revenue	<u>2,713,300</u>	<u>2,713,300</u>	<u>748,823</u>	<u>(1,964,477)</u>
Total revenues	3,322,450	3,322,450	1,369,558	(1,952,892)
Expenditures				
Current				
Public works	<u>3,826,525</u>	<u>3,834,525</u>	<u>825,859</u>	<u>(3,008,666)</u>
Net change in fund balance	(504,075)	(512,075)	543,699	1,055,774
Fund balance - beginning of year	<u>1,496,081</u>	<u>1,496,081</u>	<u>1,496,081</u>	<u>-</u>
Fund balance - end of year	<u>\$ 992,006</u>	<u>\$ 984,006</u>	<u>\$ 2,039,780</u>	<u>\$ 1,055,774</u>

**Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Fire Restricted / Designated Fund
For the Year Ended December 31, 2021**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Investment income	\$ 30	\$ 30	\$ 7	\$ (23)
Other revenue	-	-	1,302	1,302
Total revenues	30	30	1,309	1,279
Fund balance - beginning of year	5,084	5,084	5,084	-
Fund balance - end of year	\$ 5,114	\$ 5,114	\$ 6,393	\$ 1,279

**Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Police Restricted/Designated Fund
For the Year Ended December 31, 2021**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Federal grants	\$ 5,000	\$ 5,000	\$ 4,217	\$ (783)
Other state grants	7,000	7,000	4,499	(2,501)
Fines and forfeitures	5,000	5,000	1,104	(3,896)
Investment income	300	300	114	(186)
	<u>17,300</u>	<u>17,300</u>	<u>9,934</u>	<u>(7,366)</u>
Expenditures				
Current				
Public safety	<u>17,000</u>	<u>17,000</u>	<u>10,977</u>	<u>(6,023)</u>
	300	300	(1,043)	(1,343)
Fund balance - beginning of year	<u>70,281</u>	<u>70,281</u>	<u>70,281</u>	<u>-</u>
Fund balance - end of year	<u>\$ 70,581</u>	<u>\$ 70,581</u>	<u>\$ 69,238</u>	<u>\$ (1,343)</u>

**Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Senior Center Millage Fund
For the Year Ended December 31, 2021**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Taxes	\$ 154,550	\$ 154,550	\$ 154,929	\$ 379
Investment income	2,000	2,000	716	(1,284)
Total revenues	156,550	156,550	155,645	(905)
Expenditures				
Current				
Health and welfare	155,000	155,000	110,140	(44,860)
Net change in fund balance	1,550	1,550	45,505	43,955
Fund balance - beginning of year	297,204	297,204	297,204	-
Fund balance - end of year	\$ 298,754	\$ 298,754	\$ 342,709	\$ 43,955

**Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Cable TV Fund
For the Year Ended December 31, 2021**

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Amended Budget</u>
Revenues				
Investment income	\$ 100	\$ 100	\$ 361	\$ 261
Expenditures				
Current				
Recreation and culture	-	6,000	5,817	(183)
Net change in fund balance	100	(5,900)	(5,456)	444
Fund balance - beginning of year	<u>221,732</u>	<u>221,732</u>	<u>221,732</u>	-
Fund balance - end of year	<u>\$ 221,832</u>	<u>\$ 215,832</u>	<u>\$ 216,276</u>	<u>\$ 444</u>

**Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Community Needs Fund
For the Year Ended December 31, 2021**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Investment income	\$ 50	\$ 50	\$ 151	\$ 101
Other revenue	<u>10,200</u>	<u>23,250</u>	<u>40,063</u>	<u>16,813</u>
Total revenues	10,250	23,300	40,214	16,914
Expenditures				
Current				
Health and welfare	<u>10,200</u>	<u>52,450</u>	<u>40,871</u>	<u>(11,579)</u>
Net change in fund balance	50	(29,150)	(657)	28,493
Fund balance - beginning of year	<u>106,923</u>	<u>106,923</u>	<u>106,923</u>	<u>-</u>
Fund balance - end of year	<u><u>\$ 106,973</u></u>	<u><u>\$ 77,773</u></u>	<u><u>\$ 106,266</u></u>	<u><u>\$ 28,493</u></u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Library Fund
For the Year Ended December 31, 2021

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Amended Budget</u>
Revenues				
Investment income	\$ 50	\$ 50	\$ 22	\$ (28)
Fund balance - beginning of year	<u>13,536</u>	<u>13,536</u>	<u>13,536</u>	<u>-</u>
Fund balance - end of year	<u>\$ 13,586</u>	<u>\$ 13,586</u>	<u>\$ 13,558</u>	<u>\$ (28)</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Grants Fund
For the Year Ended December 31, 2021

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Actual Over (Under) Amended Budget</u>
Revenues				
Investment income	\$ 200	\$ 200	\$ 223	\$ 23
Expenditures				
Current				
Health and welfare	-	7,500	2,865	(4,635)
Net change in fund balance	200	(7,300)	(2,642)	4,658
Fund balance - beginning of year	<u>135,778</u>	<u>135,778</u>	<u>135,778</u>	<u>-</u>
Fund balance - end of year	<u>\$ 135,978</u>	<u>\$ 128,478</u>	<u>\$ 133,136</u>	<u>\$ 4,658</u>

**Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
CATA Millage Fund
For the Year Ended December 31, 2021**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Taxes	\$ 368,000	\$ 368,000	\$ 368,287	\$ 287
Investment income	100	100	86	(14)
Total revenues	368,100	368,100	368,373	273
Expenditures				
Current				
Recreation and culture	368,000	368,000	368,000	-
Net change in fund balance	100	100	373	273
Fund balance - beginning of year	9,693	9,693	9,693	-
Fund balance - end of year	\$ 9,793	\$ 9,793	\$ 10,066	\$ 273

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Park Millage Fund
For the Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Taxes	\$ 1,228,250	\$ 1,228,250	\$ 1,230,738	\$ 2,488
Other state grants	-	-	223,296	223,296
Local contributions	-	-	153,000	153,000
Investment income	11,000	11,000	1,526	(9,474)
Other revenue	<u>137,000</u>	<u>144,500</u>	<u>189,245</u>	<u>44,745</u>
Total revenues	1,376,250	1,383,750	1,797,805	414,055
Expenditures				
Current				
Recreation and culture	<u>991,915</u>	<u>1,367,815</u>	<u>1,370,495</u>	<u>2,680</u>
Excess of revenues over expenditures	384,335	15,935	427,310	411,375
Other financing uses				
Transfers out	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balance	384,335	(34,065)	377,310	411,375
Fund balance - beginning of year	<u>9,237</u>	<u>9,237</u>	<u>9,237</u>	<u>-</u>
Fund balance - end of year	<u>\$ 393,572</u>	<u>\$ (24,828)</u>	<u>\$ 386,547</u>	<u>\$ 411,375</u>

**Charter Township of Meridian
 Other Supplementary Information
 Budgetary Comparison Schedule
 Nonmajor Governmental Fund
 American Rescue Plan Act Fund
 For the Year Ended December 31, 2021**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues	\$ -	\$ -	\$ -	\$ -
Expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	\$ -	\$ -	\$ -	\$ -

**Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Fire Station Debt Service Fund
For the Year Ended December 31, 2021**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Taxes	\$ 372,100	\$ 372,100	\$ 373,876	\$ 1,776
Investment income	1,000	1,000	839	(161)
Total revenues	<u>373,100</u>	<u>373,100</u>	<u>374,715</u>	<u>1,615</u>
Expenditures				
Debt service				
Principal retirement	230,000	230,000	230,000	-
Interest and fiscal charges	<u>44,590</u>	<u>44,590</u>	<u>44,590</u>	<u>-</u>
Total expenditures	<u>274,590</u>	<u>274,590</u>	<u>274,590</u>	<u>-</u>
Net change in fund balance	98,510	98,510	100,125	1,615
Fund balance - beginning of year	<u>382,777</u>	<u>382,777</u>	<u>382,777</u>	<u>-</u>
Fund balance - end of year	<u>\$ 481,287</u>	<u>\$ 481,287</u>	<u>\$ 482,902</u>	<u>\$ 1,615</u>

**Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Nonmajor Governmental Fund
Township Improvement Revolving Fund
For the Year Ended December 31, 2021**

	Original Budget	Amended Budget	Actual	Actual Over (Under) Amended Budget
Revenues				
Charges for services	\$ 140,000	\$ 188,000	\$ 231,858	\$ 43,858
Investment income	19,500	34,500	41,027	6,527
Total revenues	159,500	222,500	272,885	50,385
Expenditures				
Current				
Public works	65,000	303,500	344,916	41,416
Net change in fund balance	94,500	(81,000)	(72,031)	8,969
Fund balance - beginning of year	1,032,593	1,032,593	1,032,593	-
Fund balance - end of year	<u>\$ 1,127,093</u>	<u>\$ 951,593</u>	<u>\$ 960,562</u>	<u>\$ 8,969</u>

Charter Township of Meridian
Other Supplementary Information
Budgetary Comparison Schedule
Major Governmental Fund - Debt Service
Road Debt Fund
For the Year Ended December 31, 2021

	Budgeted Amounts		Actual	Actual Over (Under) Final Budget
	Original	Final		
Revenues				
Taxes	\$ 3,619,000	\$ 3,619,000	\$ 3,631,677	\$ 12,677
Investment income	15,000	15,000	5,579	(9,421)
Total revenues	<u>3,634,000</u>	<u>3,634,000</u>	<u>3,637,256</u>	<u>3,256</u>
Expenditures				
Debt service				
Principal retirement	3,165,000	3,165,000	3,165,000	-
Interest and fiscal charges	<u>402,500</u>	<u>402,500</u>	<u>402,500</u>	<u>-</u>
Total expenditures	<u>3,567,500</u>	<u>3,567,500</u>	<u>3,567,500</u>	<u>-</u>
Net change in fund balance	66,500	66,500	69,756	3,256
Fund balance - beginning of year	<u>884,161</u>	<u>884,161</u>	<u>884,161</u>	<u>-</u>
Fund balance - end of year	<u>\$ 950,661</u>	<u>\$ 950,661</u>	<u>\$ 953,917</u>	<u>\$ 3,256</u>

Statistical Section

Charter Township of Meridian Statistical Section

This part of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Township's overall financial health.

The statistical section is organized into the following main categories:

Financial trends – These schedules contain trend information to help the reader understand how the Township's financial performance and well-being have changed over time.

Revenue capacity – These schedules contain information to help the reader assess the Township's most significant local revenue source, the property tax.

Debt capacity – These schedules contain information to help the reader assess the affordability of the Township's current levels of outstanding debt and the Township's ability to issue additional debt in the future.

Demographic and economic information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the Township's financial activities take place.

Operating information – These schedules contain service and infrastructure data to help the reader understand how the information in the Township's financial report relates to the services the Township provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year. The Township implemented GASB Statement No. 34 in 2003; schedules presenting government-wide information include information beginning in that year.

Charter Township of Meridian
Net Position by Component
Last Ten Fiscal Years

	December 31									
	(in thousands of dollars)									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities:										
Net investment in capital assets	\$ 33,781	\$ 34,428	\$ 34,416	\$ 36,166	\$ 37,311	\$ 40,613	\$ 42,957	\$ 44,162	\$ 51,739	\$ 55,088
Restricted	5,948	6,553	7,345	8,400	9,757	9,150	10,204	23,050	12,130	13,627
Unrestricted	8,877	9,018	10,629	(10,661)	(11,611)	(11,910)	(15,183)	(22,274)	(8,430)	(2,954)
Total net position	\$ 48,606	\$ 49,999	\$ 52,390	\$ 33,905	\$ 35,457	\$ 37,853	\$ 37,978	\$ 44,938	\$ 55,439	\$ 65,761
Business-type Activities:										
Net investment in capital assets	\$ 41,380	\$ 40,589	\$ 40,452	\$ 39,764	\$ 39,273	\$ 39,865	\$ 39,887	\$ 39,914	\$ 40,505	\$ 39,141
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	7,090	7,839	8,972	7,433	9,077	10,972	12,615	14,977	16,111	18,609
Total net position	\$ 48,470	\$ 48,428	\$ 49,424	\$ 47,197	\$ 48,350	\$ 50,837	\$ 52,502	\$ 54,891	\$ 56,616	\$ 57,750
Primary Government:										
Net investment in capital assets	\$ 75,161	\$ 75,017	\$ 74,868	\$ 75,930	\$ 76,584	\$ 80,478	\$ 82,844	\$ 84,076	\$ 92,244	\$ 94,229
Restricted	5,948	6,553	7,345	8,400	9,757	9,150	10,204	23,050	12,130	13,627
Unrestricted	15,967	16,857	19,601	(3,228)	(2,534)	(938)	(2,568)	(7,297)	7,681	15,655
Total net position	\$ 97,076	\$ 98,427	\$ 101,814	\$ 81,102	\$ 83,807	\$ 88,690	\$ 90,480	\$ 99,829	\$ 112,055	\$ 123,511

Charter Township of Meridian
Changes in Governmental Net Position
Last Ten Fiscal Years

	Fiscal Year Ended December 31									
	(in thousands of dollars)									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
General government	\$ 4,244	\$ 4,284	\$ 3,941	\$ 4,346	\$ 4,347	\$ 4,785	\$ 4,239	\$ 3,789	\$ 5,350	\$ 5,038
Public safety	9,901	10,922	9,799	10,937	12,247	11,454	12,450	13,146	12,450	11,089
Public works	1,072	1,072	1,277	946	1,230	1,132	1,414	1,070	1,851	2,127
Health and welfare	63	169	166	162	159	180	143	273	196	233
Community and economic development	-	-	-	-	-	-	-	-	129	1,554
Recreation and culture	2,071	1,684	2,118	2,258	2,484	3,078	2,514	2,700	1,221	2,944
Interest on long-term debt	183	367	221	168	148	138	128	334	400	360
Total expenses	17,534	18,498	17,522	18,817	20,615	20,767	20,888	21,312	21,597	23,345
Program revenue:										
Charges for services:										
General government	415	391	383	416	414	667	699	680	1,440	1,497
Public safety	2,352	3,064	2,658	2,574	2,724	2,895	2,685	2,897	2,421	3,078
Public works	105	113	89	121	82	120	204	417	1,231	1,050
Recreation and culture	325	307	321	338	346	1,181	1,181	1,203	118	298
Total charges for services	3,197	3,875	3,451	3,449	3,566	4,863	4,769	5,197	5,210	5,923
Operating grants and contributions	163	283	175	127	137	172	121	418	1,460	856
Capital grants and contributions	-	-	-	-	-	-	589	-	252	1,536
Total program revenue	3,360	4,158	3,626	3,576	3,703	5,035	5,479	5,615	6,922	8,315
Excess of expenses over revenue	(14,174)	(14,340)	(13,896)	(15,241)	(16,912)	(15,732)	(15,409)	(15,697)	(14,675)	(15,030)
General revenue:										
Property taxes	11,488	11,464	11,710	13,005	13,464	13,695	16,142	16,766	20,099	20,620
State-shared revenue	2,891	2,960	3,085	3,087	3,165	3,496	3,579	3,711	3,728	4,333
Investment income (loss)	98	(46)	212	152	128	238	486	748	720	214
Franchise fees*	873	822	856	1,021	1,058	-	-	-	-	-
Miscellaneous income	389	533	424	562	694	723	793	1,432	629	
Total general revenue	15,739	15,733	16,287	17,827	18,509	18,152	21,000	22,657	25,176	25,167
Transfers	-	-	-	-	(45)	(24)	-	-	-	185
Change in net position	\$ 1,565	\$ 1,393	\$ 2,391	\$ 2,586	\$ 1,552	\$ 2,396	\$ 5,591	\$ 6,960	\$ 10,501	\$ 10,322

*Franchise fees were included in charges for services beginning in 2017 to comply with the State of Michigan's chart of accounts requirements.

Charter Township of Meridian
Changes in Business-type Net Position
Last Ten Fiscal Years

	Fiscal Year Ended December 31									
	(in thousands of dollars)									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating revenue:										
Sale of water	\$ 4,055	\$ 4,026	\$ 4,152	\$ 4,104	\$ 5,320	\$ 5,287	\$ 5,391	\$ 5,677	\$ 5,687	\$ 5,686
Sewage disposal charge	3,479	3,587	3,800	3,833	4,185	4,580	5,240	5,432	5,896	6,185
Charges for services	974	1,150	1,061	887	979	1,335	997	935	900	948
Other	246	433	35	42	26	46	48	63	45	45
Total operating revenue	8,754	9,196	9,048	8,866	10,510	11,248	11,676	12,107	12,528	12,864
Operating expense:										
Cost of water produced/purchased	2,595	2,518	2,458	2,556	2,505	2,852	3,091	3,186	3,281	3,479
Cost of sewage treatment	1,430	1,855	1,789	2,301	2,393	1,870	2,651	1,556	2,311	2,149
Other operation and maintenance costs	2,278	2,541	2,871	2,959	2,685	3,083	752	851	897	1,052
Billing and administrative costs	1,161	1,076	1,082	1,101	1,160	1,192	2,579	2,619	2,897	2,988
Depreciation	1,654	1,795	1,650	1,680	1,647	1,686	1,600	1,745	1,926	2,002
Total operating expenses	9,118	9,785	9,850	10,597	10,390	10,683	10,673	9,957	11,312	11,670
Operating income (loss)	(364)	(589)	(802)	(1,731)	120	565	1,003	2,150	1,216	1,194
Nonoperating revenue (expense):										
Investment income	3	3	4	3	1	1	1	55	23	46
Gain (loss) from joint venture	179	163	234	(31)	300	296	337	348	424	372
Grant revenue	-	-	569	932	402	514	7	-	-	-
Gain (loss) on sale of assets	-	-	-	-	-	-	-	-	(271)	-
Interest expense	(29)	(37)	(12)	(39)	(98)	(126)	(210)	(317)	(509)	(572)
Total nonoperating revenue (expense)	153	129	795	865	605	685	135	86	(333)	(154)
Income (loss) – Before capital contributions and transfer	(211)	(460)	(7)	(866)	725	1,250	1,138	2,236	883	1,040
Capital contributions	272	418	1,003	195	383	1,213	526	154	1,300	94
Transfers from other funds	-	-	-	-	45	24	-	-	-	-
Transfers to other funds	-	-	-	-	-	-	-	-	-	-
Change in net position	\$ 61	\$ (42)	\$ 996	\$ (671)	\$ 1,153	\$ 2,487	\$ 1,664	\$ 2,390	\$ 2,183	\$ 1,134
Change in net position – primary government	\$ 1,626	\$ 1,351	\$ 3,387	\$ 1,915	\$ 2,705	\$ 4,883	\$ 7,255	\$ 9,350	\$ 12,684	\$ 11,456

**Charter Township of Meridian
Fund Balances - Governmental Funds
Last Ten Fiscal Years**

	As of December 31									
	(in thousands of dollars)									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 675	\$ 564	\$ 217	\$ 297	\$ 289	\$ 119	\$ 140	\$ 174	\$ 222	\$ 245
Assigned	-	-	-	-	-	1,111	592	1,812	683	2,694
Unassigned	5,281	6,280	6,896	7,307	7,137	5,627	7,229	8,508	9,301	10,227
Total general fund	<u>\$ 5,956</u>	<u>\$ 6,844</u>	<u>\$ 7,113</u>	<u>\$ 7,604</u>	<u>\$ 7,426</u>	<u>\$ 6,857</u>	<u>\$ 7,961</u>	<u>\$ 10,494</u>	<u>\$ 10,206</u>	<u>\$ 13,166</u>
All Other Governmental Funds										
Nonspendable	\$ 150	\$ 8	\$ 7	\$ 31	\$ 13	\$ 11	\$ 8	\$ 8	\$ 2	\$ -
Restricted	5,798	9,840	10,501	8,368	9,744	9,139	10,197	23,055	18,437	16,749
Assigned	1,041	1,162	1,170	1,131	1,059	1,150	956	1,003	1,033	961
Unassigned	(407)	(349)	(1)	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 6,582</u>	<u>\$ 10,661</u>	<u>\$ 11,677</u>	<u>\$ 9,530</u>	<u>\$ 10,816</u>	<u>\$ 10,300</u>	<u>\$ 11,161</u>	<u>\$ 24,066</u>	<u>\$ 19,472</u>	<u>\$ 17,710</u>

Charter Township of Meridian
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years

	Year Ended December 31									
	(in thousands of dollars)									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenue										
Property taxes	\$ 11,488	\$ 11,464	\$ 11,710	\$ 13,005	\$ 13,464	\$ 13,695	\$ 16,142	\$ 16,766	\$ 20,099	\$ 20,620
Licenses and permits	618	1,153	841	737	796	2,280	1,946	2,008	1,480	2,210
Intergovernmental revenue	3,021	3,106	3,229	3,226	3,252	3,555	4,198	3,999	3,943	5,512
Charges for services	3,588	3,641	3,498	3,597	3,624	3,337	3,656	3,695	3,343	3,619
Investment income (loss)	98	(46)	212	152	128	236	476	730	713	211
Other	1,514	1,727	1,640	1,902	2,160	1,062	1,149	1,827	1,282	1,879
Total revenue	20,327	21,045	21,130	22,619	23,424	24,165	27,567	29,025	30,860	34,051
Expenditures										
Current:										
General government	5,391	5,030	4,925	5,010	5,208	5,832	5,257	5,595	6,339	5,841
Public safety	9,766	10,172	10,263	10,273	11,287	11,042	12,656	12,552	12,407	12,531
Public works	511	328	539	287	519	823	1,205	424	850	658
Health and welfare	62	168	166	161	168	163	123	240	180	214
Community and economic development	-	-	-	-	-	-	-	-	130	1,554
Recreation and culture	2,083	1,771	2,185	2,275	2,711	2,552	2,629	2,700	1,075	2,322
Capital outlay	1,224	1,574	1,019	5,852	1,732	4,003	2,816	3,114	10,404	5,182
Debt service:										
Principal	332	262	516	659	480	486	491	491	3,515	3,791
Interest	184	212	232	217	155	145	136	124	593	529
Debt issuance costs	-	62	-	-	-	-	-	117	-	-
Total expenditures	19,553	19,579	19,845	24,734	22,260	25,046	25,313	25,357	35,493	32,622
Excess of revenues over (under) expenditures	774	1,466	1,285	(2,115)	1,164	(881)	2,254	3,668	(4,633)	1,429
Other financing sources (uses)										
Proceeds from issuance of long-term debt	-	3,500	-	-	-	-	-	11,100	-	-
Premium on issuance of debt	-	-	-	-	-	-	-	880	-	-
Transfers in	141	137	467	462	190	451	550	400	350	330
Transfers out	(141)	(137)	(467)	(462)	(247)	(700)	(840)	(610)	(600)	(561)
Insurance recoveries	-	-	-	-	-	43	-	-	-	-
Sale of capital assets	-	-	-	459	-	3	-	-	-	-
Total other financing sources (uses)	-	3,500	-	459	(57)	(203)	(290)	11,770	(250)	(231)
Net change in fund balance	\$ 774	\$ 4,966	\$ 1,285	\$ (1,656)	\$ 1,107	\$ (1,084)	\$ 1,964	\$ 15,438	\$ (4,883)	\$ 1,198
Debt service as a percentage of noncapital expenditures	2.82%	2.64%	3.97%	4.64%	3.09%	3.00%	2.82%	2.73%	16.40%	15.59%
Capital outlay as a percentage of total expenditures	6.26%	8.04%	5.13%	23.66%	7.78%	15.98%	11.12%	12.28%	29.31%	15.88%

Charter Township of Meridian
Taxable Value and Actual Value of Taxable Property
Last Ten Fiscal Years

Taxable Value by Property Type (\$000s)

Tax Year	Residential	Commercial, Industrial, Agricultural, and Other	Total Value	Tax Rate (Mills)	Estimated Actual Value (\$000s)	Taxable Value as a Percent of Actual
2012	\$ 1,159,890	\$ 395,140	\$ 1,555,030	6.97%	\$ 3,198,797	48.61%
2013	1,128,124	399,329	1,527,453	7.17%	3,124,917	48.88%
2014	1,151,524	400,686	1,552,210	7.84%	3,209,695	48.36%
2015	1,182,156	426,509	1,608,665	7.84%	3,447,893	46.66%
2016	1,206,787	433,240	1,640,027	7.82%	3,642,106	45.03%
2017	1,242,176	445,905	1,688,081	9.02%	3,784,714	44.60%
2018	1,290,897	469,595	1,760,492	9.00%	3,943,992	44.64%
2019	1,346,089	473,155	1,819,244	10.50%	4,141,308	43.93%
2020	1,391,098	481,255	1,872,353	10.45%	4,366,300	42.88%
2021	1,427,589	486,918	1,914,507	10.45%	4,494,352	42.60%

Note: Under Michigan law, the revenue base is referred to as "taxable value." This amount represents assessed value (50 percent of true cash value), limited for each property by the lower of 5 percent or inflation.

Taxes levied in a particular "tax year" become revenue of the subsequent fiscal year.

Source: Charter Township of Meridian Assessor

**Charter Township of Meridian
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Millage Rates - Direct Township Taxes					Overlapping Taxes														
Tax Year	General	Debt	Special	Total Direct	Ingham	Lansing	Ingham	Okemos	Okemos	Haslett	Haslett	Williamston	Williamston	East	East	Capital	Capital Area	Capital Area	
	Operating		Purpose			Taxes	County	Community	Intermediate	School -	School -	School -	School -	School -	School -	School -	School -	Regional	District
						College	District	Homestead	Homestead	Homestead	Homestead	Homestead	Homestead	Homestead	Homestead	Authority	Library	Authority	
2012	4.20	-	2.77	6.97	14.75	3.81	5.99	13.99	31.99	15.11	33.11	14.05	32.05	14.29	32.29				
2013	4.20	0.20	2.77	7.17	14.76	3.81	5.99	13.99	31.99	16.36	34.36	15.05	33.05	15.41	33.41				
2014	4.20	0.20	3.44	7.84	15.26	3.81	5.99	13.99	31.99	16.36	34.36	15.73	33.73	15.38	33.38				
2015	4.20	0.20	3.44	7.84	15.09	3.81	5.99	13.99	31.99	16.36	34.36	15.59	33.59	12.74	30.74				
2016	4.18	0.20	3.44	7.82	15.33	3.81	5.99	13.99	31.99	16.35	34.35	15.58	33.58	12.49	30.49				
2017	4.17	0.20	4.64	9.02	15.34	3.81	5.99	13.99	31.99	16.33	34.33	15.57	33.57	14.28	32.28				
2018	4.17	0.20	4.63	9.00	11.34	3.81	6.00	13.99	31.99	16.33	34.33	15.57	33.57	14.28	32.26	0.70	1.56	3.01	
2019	4.17	0.20	6.13	10.50	11.34	3.81	6.00	13.99	31.99	16.33	34.33	15.58	33.58	13.50	31.50	0.70	1.56	3.01	
2020	4.16	2.14	4.15	10.45	11.91	3.78	6.24	13.99	31.99	16.32	34.32	15.57	33.41	14.00	32.00	0.70	1.56	3.00	
2021	4.16	2.14	4.15	10.45	11.98	3.77	6.23	13.99	31.99	16.30	34.30	15.56	33.40	13.80	31.80	0.70	1.55	2.99	

Note: The Township has multiple overlapping tax districts due to 425 agreements, additional school districts, and TIF plans. The tax rates shown above relate to the Township's tax for the Ingham, Okemos, Haslett, Williamston, and East Lansing School Districts. Information relating to other overlapping tax districts can be obtained from the Finance Department at Township Hall.

Source: Charter Township of Meridian Treasurer

**Charter Township of Meridian
Principal Property Taxpayers**

Taxpayer	2021 Taxable Value	Percentage of Total	2012 Taxable Value	Percentage of Total	2012 Rank
1 Consumers Energy	\$ 32,253,824	1.68%	\$ 17,998,888	1.13%	2
2 C150 2929 Hannah Lofts, LLC	21,730,600	1.14%			
3 East Lansing I, LLC	14,907,458	0.78%	13,416,880	0.85%	4
4 Meridian Mall, LP	14,780,300	0.77%	28,788,600	1.81%	1
5 East Lansing Athletic Club, Inc.	11,265,456	0.59%			
6 TEG Central, LLC	10,294,561	0.54%			
7 Brandywine Creek II, LLC	9,021,180	0.47%			
8 ACC OP, LLC	8,431,604	0.44%			
9 Okemos Pointe, LLC	7,941,419	0.41%			
10 MMG LXIV Nemoke Trails Sub LLC	7,636,636	0.40%			

Source: Charter Township of Meridian Assessor

**Charter Township of Meridian
Property Tax Levies and Collections
Last Ten Fiscal Years**

Tax Year	Fiscal Year Ended December 31	Total Levy	Current Collections	Percent Collected	Delinquent Collections	Total Tax Collections	Percent of Levy Collected
2011	2012	\$ 10,779,268	\$ 10,476,566	97.19%	\$ 11,671	\$ 10,488,237	97.30%
2012	2013	10,913,178	10,494,474	96.16%	9,397	10,503,871	96.25%
2013	2014	12,158,875	11,843,345	97.40%	10,490	11,853,835	97.49%
2014	2015	12,602,616	12,309,015	97.67%	14,730	12,323,745	97.79%
2015	2016	12,797,544	12,513,915	97.78%	11,080	12,524,995	97.87%
2016	2017	15,189,137	14,838,327	97.69%	7,355	14,845,682	97.74%
2017	2018	15,745,273	15,479,066	98.31%	21,849	15,500,915	98.45%
2018	2019	19,000,536	18,647,722	98.14%	7,166	18,654,888	98.18%
2019	2020	19,465,284	19,033,079	97.78%	8,130	19,041,209	97.82%
2020	2021	19,971,703	19,649,465	98.39%	3,834	19,653,299	98.41%

Source: Charter Township of Meridian Assessor and Treasurer

Charter Township of Meridian
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
General obligation bonds	\$ -	\$ 3,500,000	\$ 3,290,000	\$ 3,080,000	\$ 2,865,000	\$ 2,650,000	\$ 2,430,000	\$ 2,210,000	\$ 1,985,000	\$ 1,755,000
Installment purchase agreements	264,000	225,000	184,000	-	-	-	-	-	-	-
Road construction bond	-	-	-	-	-	-	-	11,100,000	8,050,000	4,885,000
Drain assessments	3,122,280	3,308,821	3,043,384	2,777,947	2,624,463	2,353,428	2,082,394	1,811,360	1,570,952	4,294,544
Unamortized issuance premiums*	-	-	-	-	-	-	-	880,482	660,361	440,240
Total	3,386,280	7,033,821	6,517,384	5,857,947	5,489,463	5,003,428	4,512,394	16,001,842	12,266,313	11,374,784
Business-type Activities										
Other governmental obligations	556,050	427,350	349,450	1,773,094	5,024,672	5,370,166	10,771,821	17,333,107	26,784,161	25,665,087
Total debt of the government	\$ 3,942,330	\$ 7,461,171	\$ 6,866,834	\$ 7,631,041	\$ 10,514,135	\$ 10,373,594	\$ 15,284,215	\$ 33,334,949	\$ 39,050,474	\$ 37,039,871
Total taxable value (\$000s)	\$ 1,555,030	\$ 1,527,453	\$ 1,552,210	\$ 1,608,665	\$ 1,640,027	\$ 1,688,081	\$ 1,760,492	\$ 1,819,244	\$ 1,872,353	\$ 1,914,507
Debt as a Percentage of Taxable Value	0.25%	0.49%	0.44%	0.47%	0.64%	0.61%	0.87%	1.83%	2.09%	1.93%
Total Population	39,688	39,688	39,688	39,688	39,688	39,688	39,688	39,688	39,688	43,916
Total Debt per Capita	\$ 99	\$ 188	\$ 173	\$ 192	\$ 265	\$ 261	\$ 385	\$ 840	\$ 984	\$ 843

Charter Township of Meridian
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	Tax-limited General Obligation Bonds (LTGO)	Tax Supported Bonds (UTGO)	Less Pledged Debt Service Funds	Special Assessment Obligations	Other General Obligation Debt	Net General Obligation Debt	Taxable Value (\$000s)	Debt as a Percentage of Actual Taxable Value	Population	Net General Obligation Debt per Capita
2012	\$ -	\$ -	\$ -	\$ 3,122,280	\$ 820,050	\$ 3,942,330	\$ 1,555,030	25.35%	39,688	99
2013	-	3,500,000	-	3,308,821	652,350	7,461,171	1,527,453	48.85%	39,688	188
2014	-	3,290,000	-	3,043,384	1,215,188	7,548,572	1,552,210	48.63%	39,688	190
2015	-	3,080,000	-	2,777,947	1,773,094	7,631,041	1,608,665	47.44%	39,688	192
2016	-	2,865,000	-	2,624,463	5,024,672	10,514,135	1,640,027	64.11%	39,688	265
2017	-	2,650,000	-	5,003,428	5,370,166	13,023,594	1,688,081	77.15%	39,688	328
2018	-	2,430,000	-	4,512,394	10,771,820	17,714,214	1,760,492	100.62%	39,688	446
2019	11,100,000	2,210,000	-	15,121,360	17,333,107	45,764,467	1,819,244	251.56%	39,688	1,153
2020	8,050,000	1,985,000	-	11,605,952	26,784,161	48,425,113	1,872,353	258.63%	39,688	1,220
2021	4,885,000	1,755,000	-	10,934,544	25,665,087	43,239,631	1,914,507	225.85%	43,916	985

Charter Township of Meridian
Direct and Overlapping Governmental Activities Debt
December 31, 2021

Governmental Unit	Debt Outstanding	Estimated Percent Applicable	Estimated Share of Overlapping Debt
Ingham County	\$121,272,196	21.59%	\$ 26,182,667
East Lansing School District	98,598,377	14.32%	14,119,288
Okemos School District	32,116,460	87.60%	28,134,019
Williamston School District	41,190,540	7.80%	3,212,862
Haslett School District	63,962,999	66.96%	42,829,624
Ingham Intermediate School District	835,000	18.29%	152,722
Lansing Community College	93,875,000	14.80%	13,893,500
Total overlapping debt			<u>128,524,682</u>
Direct Township debt			<u>11,374,784</u>
Total direct and overlapping debt			<u><u>\$ 139,899,466</u></u>

Source: The overlapping debt is calculated by the Municipal Advisory Council of Michigan (MAC). MAC's method is to take the outstanding debt for all municipalities in its geographic region except for the State of Michigan and the federal government and multiply that by the estimated percent applicable, which is based on the relative taxable value in each municipality.

**Charter Township of Meridian
Pledged Revenue Coverage
Last Ten Fiscal Years**

Fiscal Year	Water and Sewer Revenue Bonds						Special Assessment Bonds			
	Gross Revenue	Applicable Expenses	Net Revenue	Debt Service		Coverage	Special Assessment Collections	Debt Service		Coverage
				Principal	Interest			Principal	Interest	
2012	-	-	-	-	-	-	-	-	-	-
2013	-	-	-	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-
2020	-	-	-	-	-	-	-	-	-	-

**Charter Township of Meridian
Legal Debt Margin
Last Ten Fiscal Years**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Calculation of Debt Limit										
State equalized valuation	\$ 1,599,398,400	\$ 1,562,458,500	\$ 1,604,386,223	\$ 1,723,946,700	\$ 1,821,053,200	\$ 1,892,356,824	\$ 1,971,995,800	\$ 2,070,653,588	\$ 2,183,150,200	\$ 2,247,176,400
10% of taxable value	159,939,840	156,245,850	160,438,622	172,394,670	182,105,320	189,235,682	197,199,580	207,065,359	218,315,020	224,717,640
Calculation of debt subject to limit										
Total debt	4,770,392	8,273,557	7,637,481	8,330,658	11,298,335	11,196,846	16,130,928	33,303,774	39,336,765	37,955,863
Less debt not subject to limit:										
Special assessment bonds	3,122,280	3,308,821	3,043,384	2,777,947	2,624,463	2,353,428	2,082,395	1,811,360	1,570,952	4,294,544
Contractual adjustment	264,000	225,000	241,400	8,200	-	-	-	-	-	-
Employee compensated absences	828,062	812,386	770,647	699,617	784,200	823,252	846,714	849,305	946,652	915,992
Total	4,214,342	4,346,207	4,055,431	3,485,764	3,408,663	3,176,680	2,929,109	2,660,665	2,517,604	5,210,536
Net debt subject to limit	\$ 556,050	\$ 3,927,350	\$ 3,582,050	\$ 4,844,894	\$ 7,889,672	\$ 8,020,166	\$ 13,201,819	\$ 30,643,109	\$ 36,819,161	\$ 32,745,327
Legal debt margin	\$ 159,383,790	\$ 152,318,500	\$ 156,856,572	\$ 167,549,776	\$ 174,215,648	\$ 181,215,516	\$ 183,997,761	\$ 176,422,250	\$ 181,495,859	\$ 191,972,313
Net debt subject to limit as a percentage debt limit	0.35%	2.51%	2.23%	2.81%	4.33%	4.24%	6.69%	14.80%	16.87%	14.57%

Charter Township of Meridian Demographic and Economic Statistics

Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Township's Unemployment Rate
1970	23,827	\$ 103,933	\$ 4,362	5.70%
1980	28,735	308,815	10,747	6.20%
1990	35,644	594,506	16,679	3.10%
2000	39,125	1,259,434	32,190	1.80%
2010	39,688	1,483,180	37,371	6.00%
2020	43,916	2,034,409	46,325	3.30%

Sources: Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce and U.S. Census Bureau, Charter Township of Meridian Department of Planning and Community Development

**Charter Township of Meridian
Principal Employers**

Employer	Calendar Year 2020 Employees	Percentage of Total	Calendar Year 2000 Employees	Percentage of Total	Calendar Year 2000 Rank
1 State of Michigan	13,880	26.84%	N/A	N/A	N/A
2 Michigan State University	10,253	19.82%	N/A	N/A	N/A
3 Sparrow Health System	9,000	17.40%	N/A	N/A	N/A
4 General Motors	4,274	8.26%	N/A	N/A	N/A
5 McLaren Health	3,000	5.80%	N/A	N/A	N/A
6 Auto Owners	2,720	5.26%	N/A	N/A	N/A
7 Jackson National Life	2,439	4.72%	N/A	N/A	N/A
8 Peckham	2,200	4.25%	N/A	N/A	N/A
9 Dart Container	2,000	3.87%	N/A	N/A	N/A
10 Lansing Community College	1,957	3.78%	N/A	N/A	N/A

N/A = Information is not available

2018 switched source to LEAP

Source: LEAP Largest Employers Lansing Michigan

2021 information not yet available

Charter Township of Meridian
Full-time Equivalent Government Employees
Last Ten Fiscal Years

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government	38	39	37	37	39	32	33	33	35	31
Public safety:										
Police	45	45	45	45	45	45	46	46	46	46
Fire and EMS	35	35	34	34	34	35	36	36	36	36
Community planning and development	11	11	11	12	12	16	17	18	13	13
Public works	23	22	22	21	21	20	21	22	21	21
Parks and recreation	9	9	10	10	11	15	15	13	13	13
Total	160	160	159	158	161	163	168	168	164	160

Source: Charter Township of Meridian recor

**Charter Township of Meridian
Operating Indicators
Last Ten Fiscal Years**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Election data:										
Registered voters	29,664	28,947	29,099	29,070	31,257	30,263	30,954	31,106	33,942	33,139
Voters (at polls or absentee)	21,640	5,816	16,513	8,791	22,934	5,625	21,344	7,116	25,798	4,496
Percent voting	73.0%	20.1%	56.7%	30.2%	73.4%	18.6%	69.0%	22.9%	76.0%	13.6%
Police:										
Physical arrests	975	864	855	765	700	559	577	563	402	554
Traffic violations	3,789	2,883	2,618	2,366	2,272	1,752	1,922	2,096	1,517	1,711
Investigations	305	256	208	234	366	398	263	222	351	279
Fire:										
Fire runs	600	737	714	623	925	1,181	991	1,217	875	963
Emergency medical runs	3,842	3,619	3,683	3,884	4,028	3,988	4,226	4,220	4,031	4,627
Inspections	348	312	275	205	158	173	285	412	86	203
Water										
Number of customers billed	13,000	13,000	13,000	13,000	12,310	12,300	12,250	12,300	12,320	12,564
Total gallons purchased (000s)	1,405,345	1,435,717	1,376,308	1,135,397	1,212,208	1,304,855	1,306,647	1,287,860	1,349,203	1,252,861
Average consumption per year	108	110	106	87	98	106	107	105	110	100
Sewer - Average daily sewage treatment	3,863,859	3,764,964	4,290,875	4,264,226	4,233,669	4,742,521	4,617,594	4,715,567	4,579,664	4,534,271

N/A = Information is not available

Source: Charter Township of Meridian records

**Charter Township of Meridian
Capital Asset Statistics
Last Ten Fiscal Years**

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units (number of officers and sergeants)	35	36	36	37	35	34	34	38	36	38
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Fire response vehicles	4	4	4	4	4	4	4	4	4	4
Emergency response vehicles	4	4	4	4	4	5	5	5	5	5
Pedestrian/Bicycle pathways (miles)	73.30	73.55	73.63	74.50	74.50	76.00	76.00	76.00	77.00	77.51
Parks and recreation:										
Acreage	904	904	904	911	911	911	911	911	931	933
Mowing acres	213	213	215	219	215	215	215	215	215	215
Developed parks/playgrounds	17	17	17	17	17	17	17	17	17	17
Developed fields (soccer, baseball, etc.)	10	10	13	14	14	14	15	15	16	16
Water										
Mains (miles)	165.61	166.18	167.74	168.08	168.08	171.66	225.66	226.00	227.60	227.74
Fire hydrants	1,900	1,900	1,900	1,900	1,900	1,900	2,279	2,284	2,299	2,305
Storage capacity	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Sewer - Miles of sanitary sewers	146.18	146.34	147.18	147.18	147.35	148.87	192.54	192.54	193.97	194.03
Township vehicles/equipment	132	136	136	136	136	136	136	138	137	140

Source: Charter Township of Meridian records

Note: In 2018 an asset management study was done resulting in significant increases in fire hydrants, water main miles and sanitary sewer miles.